Celebrating 40th Anniversary
1985 – 2025
Honda India Power Products Ltd.

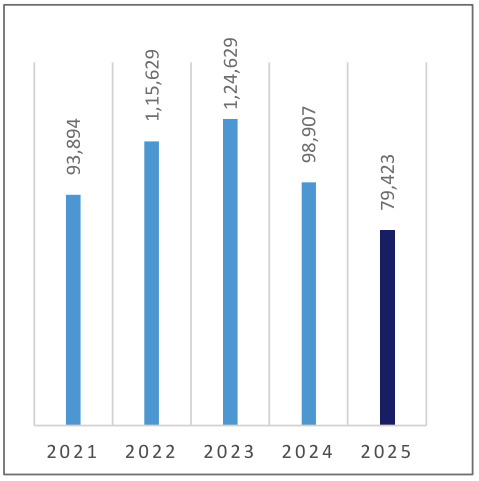
40th ANNUAL REPORT
2024-25



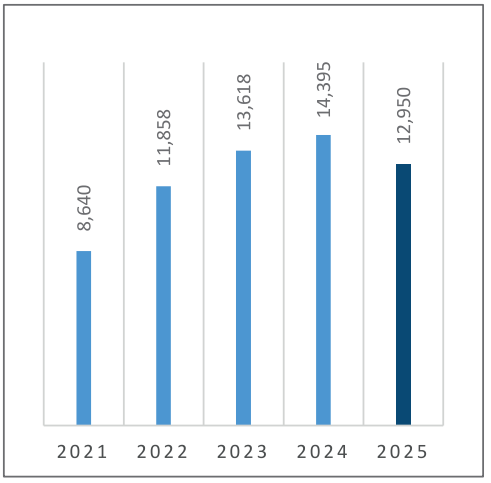
Honda India Power Products Limited

Key Financial Trends

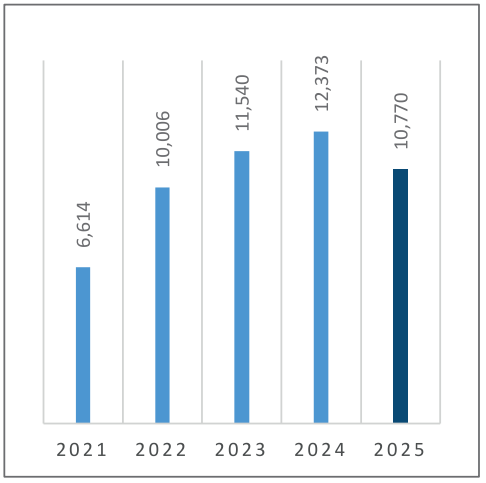
Operting Revenue (Rs lakhs)



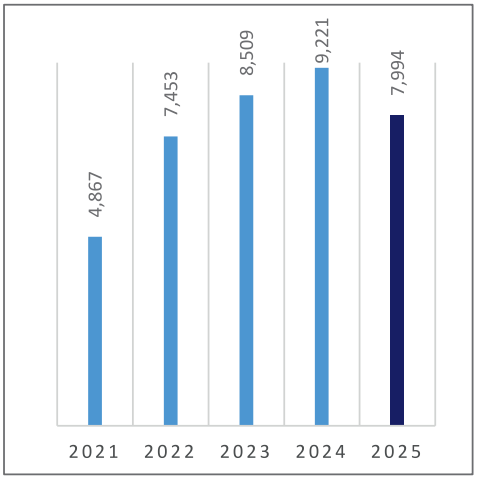
PBDT (Rs lakhs)



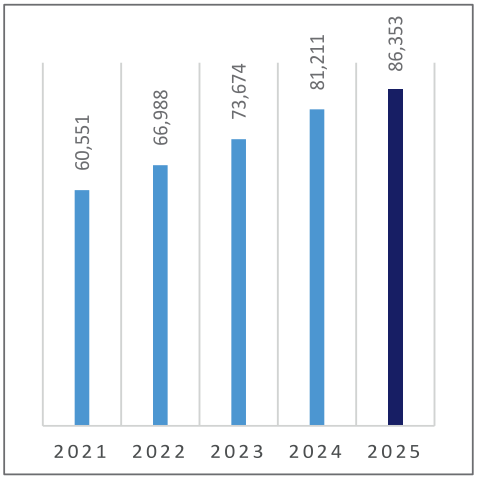
PBT (Rs lakhs)



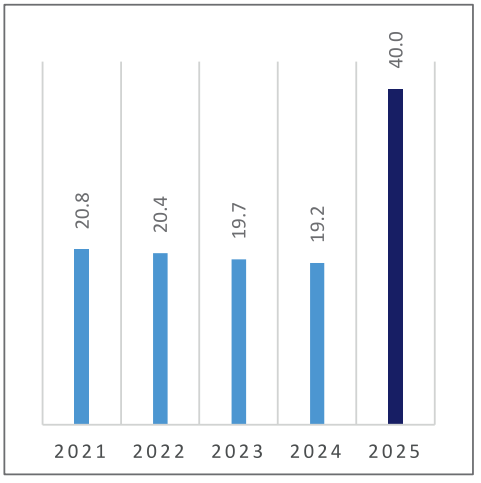
PAT (Rs lakhs)



Networth (Rs lakhs)



Dividend Payout Ratio(%)



HONDA

Corporate Information

Board of Directors

Mr. Shigeki Iwama
CMD and President & CEO

Mr. Vinay Mittal
Whole Time Director & CFO

Mr. Akihiro Sakurai
Whole Time Director

Mr. Yasuhiro Takabatake
Non - Executive Director

Mr. Ravi Prakash Mehrotra
Independent Director

Ms. Anuradha Dutt
Independent Director

Mr. Nitin Savara
Independent Director

Mr. Balachandran Dharman
Independent Director

Company Secretary & Compliance Officer

Ms. Sunita Ganjoo

Statutory Auditors

M/s B S R & Co., LLP
Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II, Gurugram- 122 002

Registered Office

409, Tower B, DLF Commercial Complex, Jasola,
New Delhi- 110 025

Head Office & Works

Plot No. 5, Sector-41 (Kasna), Greater Noida Industrial
Development Area, Distt. Gautam Budh Nagar, UP- 201 310

S. No.	Contents	Page No
1.	Notice	2-16
2.	Board's Report	17-69
3.	Auditors' Report to the Members	70-78
4.	Financial Statements	79-119

NOTICE

Notice is hereby given that the 40th Annual General Meeting of **Honda India Power Products Limited** (the Company) will be held on **Thursday, September 25, 2025**, at **10:45 am** IST through Video Conferencing /Other Audio-Visual Means (VC/ OAVM), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at 409, Tower B, DLF Commercial Complex, Jasola, New Delhi-110025.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Balance Sheet as at March 31, 2025 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Final Dividend of Rs. 21.50 per equity share of Rs. 10/- each for the financial year ended March 31, 2025.
3. To appoint a Director in place of Mr. Shigeki Iwama (DIN 10075458), who retires by rotation and being eligible, offers his candidature for re-appointment.

SPECIAL BUSINESS

4. **Alteration of the Memorandum of Association of the Company**

   To consider and if thought fit, to pass the following Resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 4 and 13, and other applicable provisions of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014, along with all relevant rules, regulations, and statutory amendments or modifications thereto, and subject to the approval of the Registrar of Companies and any other statutory authorities as may be required, the consent of the Shareholders of the Company be and is hereby accorded to amend the Memorandum of Association of the Company by inserting a new Clause 5 in the Objects Clause, and consequently renumbering and amending the existing Clause 5 as under:

   Insertion of Clause 5:

   "To carry on the business of design, development, manufacturing, assembly, sale, distribution, and servicing of electric motor units and components thereof, and to undertake any ancillary or incidental activities in connection therewith."

   Amendment of Existing Clause 5 (Renumbered as Clause 6):

   *"To manufacture, assemble, buy, sell (including through single-brand retail trading channel), distribute, import, export, alter, re-model, hire, exchange, repair, service, and otherwise deal in all types of parts, gears, transmission axles, joints, springs, lamps, chains, bodies, frames, chassis, engines, tyres, tubes, batteries, goods, instruments, laminations, stampings, windings, electronic and electrical controls, voltage regulators, appliances and apparatus, components, accessories, electric motors and raw materials of every kind and description required for or capable of being used in connection with the objects described in Clauses **1 to 5** above."*

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, including but not limited to making necessary filings with the Registrar of Companies, submission of documents, alteration of copies of the Memorandum of Association, and taking all steps in this regard to give effect to the foregoing resolution."

5. **Appointment of M/s. TVA & Co. LLP, Company Secretaries, as Secretarial Auditor of the Company**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** in accordance with the provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), M/s. TVA & Co. LLP, Company Secretaries, a Peer Reviewed Firm (Firm Registration No. AAE-9329 & ICSI Unique Code: L2015UP000900) be and are hereby appointed as the Secretarial Auditor of the Company for a period of 5 (Five) consecutive years beginning from financial year 2025-26 till the financial year 2029-30 , at a remuneration of Rs. 1,00,000 (Rupees One Lakh only) in respect of Secretarial Audit to be undertaken for the FY 2025-26 and reimbursement of out-of-pocket expenses incurred.

   RESOLVED FURTHER THAT pursuant to the applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations, approval of the Members be and is hereby accorded to the Board of Directors to engage M/s. TVA & Co. LLP for such other professional services, including the issuance of certificates or reports, as permitted under the applicable regulatory framework, at such fees or remuneration as may be mutually agreed.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix the remuneration for the rest of tenure of the appointment and are also authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s), to give effect to the aforesaid Resolution."

6. Ratification of remuneration of Cost Auditors

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactments thereof for the time being in force, the remuneration of Rs. 1,50,000 (Rupees One Lakh Fifty Thousand only), plus applicable taxes and out-of-pocket expenses, payable to M/s Rakesh Singh & Co., Cost Accountants, Firm Registration Number 000247, appointed by the Board of Directors on the recommendation of the Audit Committee as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things, and settle all questions or difficulties that may arise with regard to the aforesaid resolution as it may deem fit and to execute any agreements, documents, instructions, etc. as may be necessary or desirable in connection with or incidental to give effect to the aforesaid resolution."

7. Payment of royalty to Honda Motor Co. Ltd., Japan for the Financial Year 2026-27.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the relevant provisions of the Companies Act, 2013 ("Act"), including the rules framed thereunder and any statutory modifications or re-enactments thereof currently in force, read with the Company's Policy on Related Party Transactions, and based on the recommendations and approvals of the Audit Committee and the Board of Directors, approval of the Members of the Company be and is hereby accorded for the payment of royalty to Honda Motor Co. Ltd., Japan ("HM"), a Related Party as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during financial year 2026–27, on the following terms and conditions as detailed below and as may be mutually agreed between HM and the Company, provided that the transaction(s), contract(s), arrangement(s), and/or agreement(s) shall be conducted in the ordinary course of business and on an arm's length basis:

Related Party	Nature of Relation	Type of Transaction	Material terms and particulars	Tenure	Limit (Rs in lakhs)	Value of RPT as % (approx.) of Companies Audited annual turnover for the financial year 2024-25	Justification for the transaction
Honda Motor Co.Ltd., Japan	Holding Company	Royalty	6% on sale price adjusted for other cost as per agreement as per Existing Contract	FY 2026-27	4,200	5.29%	**1.** Royalty is paid under Technical Collaboration Agreement (TCA) with Honda Motor Co. Ltd., Japan for indivisible, non transferable and exclusive right and license to manufacture and sell the products using its Intellectual Property Rights and the Technical information. **2.** There is no change in Rate of Royalty from previous years. **3.** Royalty is computed @ 6% of net ex-factory sales price of the manufactured goods. Net ex factory sale price means Sale Price less cost of bought out components, cost of imports, freights and duties, commission on sales. Effective rate of royalty ranges 4% to 4.5%. **4.** Proposed amount is based on forecasted sales of FY 2026-27. **5.** Sales price and Profit margin is derived after considering the Royalty Expenses. **6.** Royalty is considered at arm's length basis based on TNMM method and further corroborated with CUP.

RESOLVED FURTHER THAT the Board, be and is hereby authorized, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions and to take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved and confirmed in all respects."

8. Related Party Transaction(s) with Honda Motor Co. Ltd., Japan for the financial year 2026-27.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with relevant circulars issued by the Securities and Exchange Board of India from time to time, applicable provisions of the Companies Act, 2013 read with Rules made thereunder ("the Act"), Company's Policy on Related Party Transactions and further pursuant to the recommendation/approval of the Audit Committee and the Board of Directors, approval of the Members be and is hereby accorded to the Company for entering into Material Related Party Transactions/contracts/ arrangements/ agreements during the FY 2026-27, on an arm's length basis and in the ordinary course of business of the Company, with Honda Motor Co. Ltd., Japan (HM), a Related Party within the meaning of Section 2(76) of the Act, and Regulation 2(1)(zb) of the Listing Regulations, as under:

Related Party	Nature of Relation	Type of Transaction	Material terms and particulars	Tenure	Limit (Rs in lakhs)	Value of RPT as % (approx.) of Companies Audited annual turnover for the financial year 2024-25	Justification for the transaction
Honda Motor Co.Ltd., Japan	Holding Company	Export Commission	8% on FOB value of Export Sale. Same as last year as per existing Contract	FY 2026-27	2,500	3.1%	1. This is being paid for utilizing Honda's global sales and distribution channel and is the only selling expense incurred for Export Sales. 2. Export commission is being paid @8% of FOB value of exports excluding export to Japan. There is no change in rates from previous years 3. Proposed amount is based on forecasted export sales of FY 2026-27 4. Sales price and Profit margin is derived after considering the Export Commission.
		Technical Guidance Fee	As per Business plan . Pricing as per existing terms, Labour cost of Japanese technicians and actual expenses incurred		750	0.9%	1. This is an estimated figure on basis of requirement and past history for support service provided by HM Japan, for improving the manufacturing and allied processes. 2. Amount will be paid as per agreement, on hourly rates on availment of services.
		Purchase of Raw Material, Components, Consumables, finished goods and spares	Cost Plus basis. Normal margin being kept		6,500	8.2%	1. This purchase is for manufacturing the final products and Honda CBU's for onward sales in Indian market based on sales forecasted for FY 2026-27 . 2. These items being critical and of propritory nature, therefore cannot be procured from any other source. 3. Due to lower volume, manufacturing of Honda CBU by the Company is not commercially viable.
		Purchase of Capital goods	Cost Plus basis. Normal margin being kept		100	0.1%	These purchase are of service and product manual design by HM Japan, is required to be a part of the product and for after sales service.
		Reimbursement received and paid including warranty expenses	Actual basis		1,500	1.9%	These are reimbursement and recovery of actual expenses related to warranty, Expat's salary and other expenses.
		Export Sale of finished goods & spares	Pricing/Terms & Conditions are not more favourable than the sales made to unrelated party		4,500	5.7%	This is forecasted sales to HM Japan for FY 2026-27 at cost plus basis.
		Model fee	As per Agreement		140	0.2%	This is for the support provided by HM, Japan for start of mass production for any new model in the company including assessment of market, desigining of the product. Any new model will contribute to the Sales. This is of capital nature.

RESOLVED FURTHER THAT the Board, be and is hereby authorized, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions and to take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved and confirmed in all respects."

By order of the Board
for **Honda India Power Products Limited,**
Sd/-
Sunita Ganjoo
Company Secretary & Compliance Officer

Place : New Delhi
Date : August 12, 2025

Regd. Office:
409, Tower B, DLF Commercial Complex,
Jasola, New Delhi-110025

NOTES:

1. The Ministry of Corporate Affairs ('MCA') and the Securities Board of India ('MCA') have vide its circular no. 14/2020 dated April 08, 2020, 20/2020 dated May 05, 2020, 2/2021 dated January 13, 2021, 19/2021 dated December 08, 2021, 21/2021 dated December 14, 2021, 2/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, and 09/2024 dated September 19, 2024 (collectively referred to as 'MCA Circulars') SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024("SEBI Circular') permitted convening the Annual General Meeting ('AGM' or 'e-AGM') through video conferencing ('VC') or Other Audio Visual Means ('OAVM') without the physical presence of the Members of the Company at a common venue. In accordance with MCA Circulars, provisions of the Companies Act, 2013 ('Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the AGM of the Company is being held through VC/ OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102(1) of the Act, setting out material facts concerning the Special Businesses to be transacted at the AGM, is annexed hereto and forms part of this Notice.
3. Pursuant to requirements of SEBI Listing Regulations and the applicable Secretarial Standards, the information required to be provided in case of director(s) retiring by rotation/ seeking appointment/ re-appointment, is set out at the Annexure I to this Notice.
4. The Company has engaged the services of National Securities Depository Limited ('NSDL'), as the Authorised Agency for providing remote e-voting facility/ e-voting/ voting during the meeting facility for casting the votes by the members using an electronic voting system.
5. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/ OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed thereto.
6. Since the AGM will be held through VC/ OAVM, the Route Map of the venue of the meeting is not annexed hereto.
7. In terms of the provisions of Section 152 of the Act, Mr. Shigeki Iwama, CMD & President & CEO, retire by rotation at this Meeting, offered himself for re-appointment. The Board of Directors of the Company recommend his re-appointment. Mr. Shigeki Iwama, CMD and President & CEO, is interested in the Ordinary Resolution set out at Item Nos. 3 of the Notice with regard to his re-appointment. The relatives of Mr. Shigeki Iwama, CMD and President & CEO may be deemed to be interested in the resolutions set out at Item Nos. 3 of the Notice to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 3 of the Notice.
8. Members attending the AGM through VC/ OAVM shall be counted for the purpose of quorum under Section 103 of the Companies Act, 2013.
9. In compliance with the aforesaid MCA Circulars and SEBI circular, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those members whose email addresses are registered with the RTA/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website at www.hondaindiapower.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com. Further, the letters are being sent to the shareholders, whose email addresses are not registered, containing the link of Annual Report of FY 2024-25 along with completion of KYC requirements.
10. In order to enable the Company to comply with MCA Circulars and to participate in the green initiative in Corporate Governance, members are requested to register their email addresses in respect of shares held in electronic form with their Depository Participant(s) ('DPs') and in respect of shares held in physical form by sending duly filled and signed form ISR-1 available on Website of the Registrar and Share Transfer Agent ('RTA') of the Company – **M/s Mas Services Limited, Unit: Honda India Power Products Limited,T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi-110020, Ph:- 011-26387281/82/83, email: -** investor@masserv.com**, Website:** www.masserv.com.
11. For receiving all communication (including Annual Report) from the Company electronically:
    a) Members holding shares in physical mode and who have not registered/ updated their email address with the Company are requested to register/ update the same in accordance with the procedure mentioned in point no. 10 above.
    b) Members holding shares in dematerialised mode are requested to register/ update their email address with their respective DPs.
12. The Institutional/ Corporate members intending to attend the AGM through authorised representatives are requested to send to NSDL/ Scrutiniser a certified true copy of the Board Resolution (PDF/ JPG format) authorising their representative to attend the AGM through VC/ OAVM and vote on their behalf, by an email through its registered email address to cs.saryumunjal@gmail.com with a copy to evoting@nsdl.com. Alternatively, you can also upload the Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on 'Upload Board Resolution/ Authority Letter' tab displayed under 'E- Voting' tab in your login.
13. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
14. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 19, 2025 to Thursday, September 25, 2025 (both days inclusive)** for the purpose of payment of dividend.

The Board recommended the Final Dividend @ 215% per share i.e. Rs. 21.50/- per equity share, subject to the approval of shareholders at the ensuing AGM.

The dividend proposed shall be paid within 30 days from the date of declaration. The dividend after deduction of tax at source, if declared at the AGM, would be paid/ dispatched to those persons or their mandates:

A whose names appear as beneficial owners as at the end of the business hours on September 18, 2025 in the list of beneficial owners to be furnished by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') in respect of the shares held in electronic mode; and

B. whose names appear as members in the Register of Members of the Company/ RTA on or before September 18, 2025.

Effective from April 1, 2020, dividend income is taxable in the hands of shareholders. Hence the Company is required to deduct tax at source ('TDS') from the amount of dividend paid to shareholders at the prescribed rates.

15. In accordance with the mandate issued by the Securities and Exchange Board of India (SEBI), all companies are required to use the bank account details of investors as provided by the Depositories or as available with the Registrar and Transfer Agent (RTA) for processing dividend payments through National Electronic Clearing Services (NECS), wherever such facilities and bank details are available. In cases where NECS is not available, the Company will print the investor's bank account details, if available, on the physical dividend instrument to facilitate payment. Please note that the Company will not accept any direct requests from members holding shares in electronic (dematerialized) form for deletion or modification of bank account details. Additionally, any instructions previously provided for shares held in physical form will not automatically apply to demat holdings. Shareholders holding shares in electronic form who wish to update or modify their bank account details must contact their respective Depository Participant (DP) with the updated information.

    For shareholders holding shares in physical form, changes to bank account details should be made by submitting Form ISR-1, available on the RTA's website at www.masserv.com. The completed form should be sent to **M/s Mas Services Limited,** Unit: Honda India Power Products Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi – 110020, Phone: 011-26387281/82/83, Email: investor@masserv.com, Website: www.masserv.com

16 a) SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.

    b) In compliance of SEBI Circular dated June 10, 2024, read with SEBI Master Circular for RTA dated May 07, 2024, the security holders holding securities in physical form are hereby advised to update/ register their PAN, Contact Details (i.e. postal address with PIN and mobile no.), Bank Account Details and Specimen Signatures.

    Further, the RTA and the Company will entertain any grievances or service requests only upon submission of valid PAN and updated KYC details. Additionally, dividend payments for folios where PAN or KYC details remain incomplete or not updated will be processed exclusively through electronic mode.

    c) Online Dispute Resolution (ODR) Portal is introduced by SEBI vide its Master Circular SEBI/ HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated August 11, 2023, which is in addition to the existing SCORES 2.0 portal which can be utilized by the investors and the Company for dispute resolution. Please note that the investors are advised to initiate dispute resolution through the ODR portal only if the Company does not resolve the issue itself or it is not resolved through SCORES 2.0 portal.

17. To enable compliance with TDS requirement on Dividend, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the Income Tax Act, 1961 with their DP(s) or in case shares are held in physical form, with the RTA by submitting form ISR-1 as mentioned in point no. 10 above.

18. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in .

    The Company has already transferred unclaimed dividends up to the financial year 1994 - 95 to the General Revenue Account of the Central Government, and for the financial years 1995-96 to 2016-17 to IEPF. Following are the details of dividends paid by the Company and respective due dates for transfer of unclaimed dividend to IEPF:

Dividend year	Date of Declaration	Due date for transfer to IEPF
2017-18	13.08.2018	12.09.2025
2018-19	07.08.2019	06.09.2026
2019-20	21.09.2020	20.10.2027
2020-21	21.09.2021	20.10.2028
2021-22	26.09.2022	25.10.2029
2022-23	10.08.2023	09.09.2030
2023-24	05-09-2024	04-10-2031
2024 – 2025 (Interim)	10-02-2025	09-02-2032

In terms of provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares on which dividend has not been encashed/claimed for a continuous period of last seven years i.e., from F.Y. 2017-18 shall be transferred by the Company to Investor Education and Protection Fund.

In accordance with the aforesaid IEPF Rules, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and a newspaper advertisement in this regard was also published.

The details of the Shareholders as mentioned above, is also available on the website of the Company at:

https://www.hondaindiapower.com/investors/dividend-and-iepf.

Further, the Company shall not be in a position to entertain the claims of the Shareholders for the unclaimed dividends, which have been transferred to the credit of IEPF. Accordingly, the Shareholders are advised to claim uncashed dividend(s), if any, warrants pertaining to the year 2017-18 upto 2023-24 and send a request in this regard to our Share Transfer Agent before the due dates for transfer to IEPF.

19. Section 72 of the Act and Rule 19 of the Companies (Share Capital & Debenture) Rules, 2014 has extended the nomination facility to individual shareholders holding shares in physical form. Shareholders are requested to avail the above facility by submitting prescribed Nomination Form SH-13 to the Company/ RTA.
20. Member(s) of the Company who are holding shares in physical form and have multiple accounts in identical name(s) or are holding more than one share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s).
21. Pursuant to the Finance Act 2020, dividend income is taxable in the hands of Shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the Company/ Company's RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
22. A Resident individual Shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to investor@masserv.com by 11:59 p.m. IST on September 18, 2025. Shareholders are requested to note that if their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to investor@masserv.com. The aforesaid declarations and documents need to be submitted by the Shareholders by 11:59 p.m. IST on September 18, 2025.
23. Member(s) may kindly noted that SEBI vide its Circular dated July 2, 2025, in a move aimed at enhancing investor convenience and safeguarding the rights of investors, has announced the opening of a special window for the re-lodgement of transfer deeds related to physical shares. This special initiative, detailed in SEBI, will be active from July 07, 2025, to January 06, 2026. This window offers a significant opportunity for investors who, for various reasons, could not complete the transfer of physical shares prior to SEBI's deadline of April 1, 2019.
24. SEBI has decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.
25. Members holding shares in electronic form are requested to intimate all changes pertaining to their details, ECS mandates, email addresses, nominations, power of attorney, change of address/ name etc. to their DPs. Any changes effected by the DPs will be automatically reflected in the record maintained by the Depositories.
26. Please send all correspondence including requests for transfer/ transmission of shares, change of address & dividend etc. to **M/s Mas Services Limited,** Unit: Honda India Power Products Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi – 110020, Phone: 011-26387281/82/83, Email: investor@masserv.com, Website: www.masserv.com.
27. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or RTA or the concerned DP(s), as the case may be: -
    a. The change in the residential status on return to India for permanent settlement.
    b. The particulars of the NRE Account with a bank in India, if not furnished earlier.
28. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.
29. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice and Annual Report will be available for inspection electronically by the members of the Company during the AGM. Documents referred to in the accompanying Notice are open for inspection on the website at www.hondaindiapower.com and at the Registered Office of the Company during normal business hours (9:00 AM to 5:00 PM) on any working day, except Saturday, upto the date of AGM of the Company.
30. The recorded transcript of the forthcoming AGM on September 25, 2025 shall also be made available on the website of the Company at www.hondindiapower.com in the Investor Section, as soon as possible after the Meeting is over.
31. **Voting through electronic means**

I. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI Listing Regulations, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the 40th AGM by electronic means and the business may be transacted through e-Voting Services ('Remote e-Voting'). The members who have cast their votes by Remote e-Voting prior to the AGM may also participate in the AGM through VC/ OAVM via link provided in their login ids but shall not be entitled to cast their vote again.

II. The process and manner for Remote e-Voting are as under:

Step 1: Access to the NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode

In terms of SEBI Circular dated December 09, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholder	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8 digit DP ID, 8 digit Client Id, PAN No., verification code and generate OTP. Enter the OTP received on registered email id/ mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added services. Click on 'Access to e-Voting' under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https:// eservices.nsdl.com. Select 'Register Online for IDeAS Portal' or click at https:// eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/ Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/ Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

	3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login Type	Helpdesk Details
Individual Shareholders holding shares in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-4886 7000
Individual Shareholders holding shares in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding shares in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website ?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL https://www.evoting.nsdl.com either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/ OTP and a verification code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e Demat (NSDL or CDSL) or Physical.	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will prompt you to change your password.
   c) How to retrieve your 'initial password' ?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and then open the pdf attachment. The password to open the pdf file is your 8-digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

a) Click on 'Forgot User Details/ Password' (if you are holding shares in your demat account with NSDL or CDSL) option available on www. evoting.nsdl.com.

b) Physical User Reset Password (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by the aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/ folio number, your PAN, your name and your registered address etc. d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password/ OTP, tick on Agree to 'Terms and Conditions' by selecting on the check box.
8. Now, you will have to click on 'Login' button.
9. After you click on the 'Login' button, home page of e-Voting will open.

Step 2: Cast your vote electronically

1. After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is currently active status.
2. Select E-Voting Event Numbers ('EVENs - 134812' for Honda India Power Products Limited to cast your vote during the e-Voting period and casting your vote during the meeting. For joining virtual meeting, you need to click on 'VC/ OAVM' link placed under 'Join Meeting'.
3. Now you are ready for e-Voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Step 3: Join the General Meeting through VC/ OAVM on NSDL system

All the members will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of 'VC/ OAVM link' placed under 'Join Meeting' menu against company name.

You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/ OAVM will be available in Shareholder/ Member login where the EVENs of Company will be displayed. Please note that the members, who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password, may retrieve the same in advance by following the remote e-Voting instructions mentioned in the notice, to avoid last minute rush.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

III. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/ Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.

IV. In case of any query and/ or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of www. evoting.nsdl.com or call on 022-4886 7000 or send an e-mail to NSDL at evoting@nsdl.com.

V. The Remote e-Voting period commences on Monday, September 22, 2025 (09:00 am IST) and ends on Wednesday, September 24, 2025 (05:00 pm IST). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cutoff date i.e. **September 18, 2025**, may cast their vote by Remote e-Voting. The Remote e-Voting Module shall be disabled by NSDL for voting thereafter from their e-Voting module.

VI. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of Remote e-Voting as well as voting during the AGM. A person who is not the member on cut-off date should treat this Notice for information purpose only.

VII. The voting rights of members shall be in proportion to their shareholding in the Paid-up Equity Share Capital of the Company as on the cut-off date i.e. **September 18, 2025**.

VIII. Process for procuring user ID and password for e-voting for those shareholders whose email IDs are not registered with the depositories/ Company :

A. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN Card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to ho.legal@hipp.co.in.

B. In case shares are held in demat mode, please provide DPID Client ID (16 digit DPID + Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN Card), AADHAAR (self attested scanned copy of Aadhaar Card) to ho.legal@hipp.co.in.

If you are an individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at Step 1(A) i.e. 'Login method for e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode'.

C. Alternatively, shareholder/ members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

IX. Miscellaneous Process/ Notes

A. Members are encouraged to join the Meeting through Laptops for better experience.

B. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

C. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

D. Facility to join the e-AGM shall be opened 30 minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of the AGM.

E. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to the Meeting, mentioning their name, demat account number/folio number, email id, mobile number at ho.legal@hipp.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries 10 days prior to the Meeting their queries along with their name, demat account number/folio number, email id, mobile number at ho.legal@ hipp.co.in . These queries will be replied to by the Company suitably by email.

F. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company so as to reach them at least 7 (seven) days before the date of the AGM, through e-mail on ho.legal@hipp.co.in. The same will be replied by the Company suitably.

G. Facility of joining the AGM through VC/ OAVM shall be available for 1000 members on first come first serve basis. However, participation of members holding 2% or more shares, Promoters and Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

X. Ms. Saryu Munjal of M/s Saryu Munjal & Associates, Company Secretaries in Practice has been appointed as Scrutiniser to scrutinise the Remote e-Voting and voting during the meeting process in a fair and transparent manner.

XI. The Scrutiniser shall, after the conclusion of voting at the AGM, unblock the votes cast through Remote e-Voting and voting during the meeting and shall make, not later than 2 working days of the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. No gift(s), gift coupon(s) or cash in lieu of gift(s) shall be distributed to members in connection with the Meeting.

XII. The results declared alongwith the Scrutiniser's Report shall be placed on Company's website at www. hondaindiapower.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

ITEM NO. 4

Context

In terms of Sections 4, 13, and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s), amendment(s), substitution(s), or re-enactment(s) thereof for the time being in force), the consent of the members of the Company by way of special resolution is required to amend the Memorandum of Association ("MOA") of the Company.

Accordingly, as per the provisions of Section 13 and other applicable provisions of the Act and rules framed thereunder, it is proposed to alter the MOA as per the details in the resolution above.

Rationale

In line with evolving global trend and the growing emphasis on sustainability, the Company proposes to expand its business operations to include the design, development, and manufacturing of advanced Electric Motor Unit ('EMU'). This product is envisioned to cater to a wide range of applications where conventional engine powered machinery poses challenges, particularly in noise and emission sensitive environments such as educational institutions, hospitals, indoor facilities and residential construction zones.

At present, the production of such motor unit does not fall within the scope of the Company's existing Memorandum of Association. In order to formally pursue this new line of business, it is proposed to amend the Memorandum of Association by inserting a new clause under the Objects section to reflect the new objectives, authorizing the Company to undertake the design, development, and production of EMU and components thereof.

Accordingly, the Board of Directors at its meeting held on August 12, 2025, approved the proposal to insert Clause 5 in the Main Objects of the Memorandum of Association of the Company and to amend the existing Clause 5 (now being renumbered as Clause 6) consequently

In terms of Sections 13 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, approval of the members of the Company is required by way of special resolution for amending the Memorandum of Association.

None of the Directors or Key Managerial Personnel of the Company, either directly or through their relatives, are in any way, concerned or interested, whether financially or otherwise, in the resolution as set out at Item No. 4 of this Notice.

The Board of Directors recommend the special resolution set out at Item No. 4 of this Notice for approval of the members of the Company.

ITEM NO. 5

Context and rationale

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, a listed entity shall appoint Secretarial Auditor with the approval of its shareholders in its Annual General Meeting. Accordingly, in terms of the aforesaid requirement and subject to the approval of the Shareholders, the Board of Directors of the Company upon the recommendation of the Audit Committee approved the appointment of M/s TVA & Co. LLP (TVA), a firm of Practicing Company Secretaries, (Firm Registration No. AAE-9329 & ICSI Unique Code: L2015UP000900), as Secretarial Auditors of the Company for a period of 5 (Five) consecutive years beginning from FY 2025-26 till FY 2029-30, at a remuneration of Rs. 1 Lakh (Rupees One Lakh only) in respect of Secretarial Audit to be undertaken for the FY 2025-26. The remuneration for the subsequent financial years during the tenure of their appointment, shall be decided by the Audit Committee/ Board. Besides the audit services as aforesaid, the Company would also obtain certifications and other professional services, as permissible/ mandatorily required from TVA, as the Secretarial Auditors under applicable laws. The fees for such services will be in addition to the remuneration/fees mentioned above as may be mutually agreed with the Secretarial Auditors.

M/s TVA & Co. LLP, a Peer Reviewed Firm of Practicing Company Secretaries, is an advisory and consulting firm having Pan India network with specialization in Secretarial Compliances. TVA has a dedicated team of Company Secretaries and they offer services across corporate laws, SEBI regulations, FEMA compliances and allied services. The proposed fee is based on the knowledge, expertise, industry experience and the time and efforts required to be put in by the Secretarial Auditors.

The Company has received consent and eligibility letter from the proposed auditor to act as the Secretarial Auditors of the Company, in accordance with the provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 5 of this Notice for appointment of M/s TVA & Co. LLP as Secretarial Auditors of the Company for a period of 5 (Five) consecutive years.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO. 6

Context and rationale

Upon recommendation of the Audit Committee, the Board of Directors of the Company in its meeting held on May 19, 2025 has, based upon the eligibility and consent to act as such, re-appointed the Cost Accountants, M/s. Rakesh Singh & Co., as the Cost Auditors for conducting the cost audit of the Company for the financial year ending March 31, 2026 at a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) (plus applicable Taxes and reimbursement of out-of-pocket expenses).

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, consent of the Members is sought by way of Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration to be paid to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending March 31, 2026.

None of the Directors, Key Managerial Personnel of the Company and their Relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the Resolution under Item No. 6 of the Notice for approval of the Members as an Ordinary Resolution.

Item Nos. 7 & 8

Context

Entering into material Related Party Transactions with Honda Motor Co., Ltd., Japan

Pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), material related party transactions require approval of the shareholders through ordinary resolution. 'Material Transaction' for this purpose means, transaction(s) entered/to be entered into individually or taken together with previous transactions during a financial year,

- **In respect of Royalty** - any transaction involving payments to a related party, if the aggregate value of such transactions, whether individual or cumulative within a financial year, exceeds five percent (5%);
- **Other transactions** - exceeds Rs. 1,000 crore or 10%; of the annual consolidated turnover of the listed entity as per its last audited financial statements, whichever is lower.

Members may kindly note that Honda Motor Co. Ltd., Japan ('HM'), Holding Company, is a Related Party of the Company in terms of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations. The Company as part of its ordinary course of business has entered into/proposes to enter into agreements/ arrangements/ transactions with HM. Since the aggregate number of foreseen contract(s)/transaction(s) to be entered into with HM during FY 2026-27 shall exceed the aforementioned thresholds, it is proposed to seek approval of Members for the same.

Members are kindly informed that, the Audit Committee and the Board of Directors at their respective meetings held on August 12, 2025, approved and recommended the aforementioned proposal for approval of Members by way of an ordinary resolution. Details required to be furnished as per the SEBI Listing Regulations are as outlined in the item No. 7 & 8 of the Notice respectively.

The Company has established a comprehensive policy and process for the approval of Related Party Transactions (RPTs). Prior to granting approval for proposed transactions, the Audit Committee is provided with all relevant details along with a justification for each individual RPT. This enables the Committee to make well-informed and objective decisions.

Further, the Audit Committee receives quarterly updates on all related party transactions undertaken during the period. This ensures ongoing oversight and transparency in line with regulatory expectations.

The Audit Committee comprises a majority of Independent Directors, which strengthens the integrity of the approval process by facilitating unbiased and impartial judgment on each transaction.

Rationale - Item No. 7

The Company has entered into a suite of strategic agreements with Honda Motor Co., Ltd., Japan ("Licensor"/Holding Company), including a Technical Collaboration Agreement, Trademark Agreement, Distributorship Agreement, and other ancillary arrangements (collectively referred to as the "Agreements").

Under these Agreements, the Company has been granted exclusive territorial rights as well as continued access and licenses to:

1. Manufacture and sell HONDA-branded products;

2. Use HONDA trademarks in association with the licensed products;

3. Access and apply proprietary technical and non-technical know-how, technology, and other related intellectual property developed by HONDA;

4. Receive implementation support for the licensed know-how;

5. Avail employee training and capability-building programs.

These rights and services are essential to the Company's business model and daily operations.

In accordance with the aforementioned, the Company is liable to pay royalty to the Licensor at a mutually agreed rate**.** The key terms of this material Related Party Transaction have been duly reviewed and approved by the Audit Committee, in compliance with the Companies Act, 2013, and applicable SEBI (LODR) Regulations.

All such royalty payments are made in the ordinary course of business and adhere to the arm's length principle, ensuring transparency, fairness, and regulatory alignment.

The Audit Committee shall continue to review and monitor this transaction on a quarterly basis, ensuring it remains within the limits previously approved by the members. In the event of any 'material modification', as defined under the Company's Policy on Related Party Transactions and determined by the Audit Committee, the revised terms will be presented to the shareholders for approval in accordance with Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The material related party transactions as set out in Item Nos. 7 of this Notice have been unanimously approved by the Independent Directors on the Audit Committee.

Following the recommendation of the Audit Committee, the Board of Directors proposes that the shareholders grant approval, by way of an Ordinary Resolution, for the payment of royalty to HM for the Financial Year 2026–27.

Pursuant to provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015, all Material Related Party Transactions require approval of the Members through an Ordinary Resolution where none of the Related Parties can vote to approve such transactions whether the entity is a Related Party to the particular transaction or not. Therefore, approval of the Members of the Company is sought through an Ordinary Resolution.

All the relevant information and material facts pertaining to the transaction as stated in item No. 7 above, forms part of this statement.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolutions mentioned at Item No. 7 of the Notice.

However, Mr. Shigeki Iwama, Mr. Vinay Mittal, Mr. Akihiro Sakurai and Yasuhiro Takabatake may deem to be concerned/interested in their capacity being nominees of Honda Motor Co. Ltd., Japan.

The Board recommends the ordinary resolutions set forth in Item No. 7 of the Notice for the approval of the Members.

Rationale - Item No. 8

To ensure continued availability of high-quality products to Indian society, along with the resulting benefits to the Company and its shareholders, the Company has consistently engaged in material transactions with Honda Motor Co. Ltd., Japan since its inception. These transactions involve the sale and purchase of goods and materials, as well as the provision and availing of various services.

Looking ahead, the Company intends to enter into and/or continue such Material Related Party Transactions, contracts, arrangements, or agreements with Honda Motor Co. Ltd., Japan. This is in line with the Company's commitment to operational excellence and product integrity.

All transactions with Honda Motor Co. Ltd., Japan will remain in compliance with the arm's length principle as outlined under the Companies Act and the SEBI (LODR) Regulations, 2015, ensuring fairness and transparency.

The proposed transactions are in the interest of the business growth, brand usage and technical support and are within the framework of Transfer Pricing guidelines.

The majority of proposed transactions are in the nature of sale of finished products, purchase of finished goods for sale in domestic market, purchase of critical and proprietary parts/components to manufacture finished products, export commission, model fee, reimbursement received and paid, including warranty expenses, technical guidance fees, etc. related to and necessary for business operations of the Company.

The Company periodically gets a study done from outside agency to assess the transactions from arm's length perspective.

The material related party transactions as set out in Item Nos. 8 of this Notice have been unanimously approved by the Independent Directors on the Audit Committee.

Pursuant to provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015, all Material Related Party Transactions require approval of the Members through an Ordinary Resolution where none of the Related Parties can vote to approve such transactions whether the entity is a Related Party to the particular transaction or not. Therefore, approval of the Members of the Company is sought through an Ordinary Resolution.

All the relevant information and material facts pertaining to the transaction as stated in item No. 8 above, forms part of this statement.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolutions mentioned at Item No. 8 of the Notice.

However, Mr. Shigeki Iwama, Mr. Vinay Mittal, Mr. Akihiro Sakurai and Yasuhiro Takabatake may deem to be concerned/interested in their capacity being nominees of Honda Motor Co. Ltd., Japan.

The Board recommends the ordinary resolutions set forth in Item no. 8 of the Notice for the approval of the Members.

By order of the Board
for **Honda India Power Products Limited,**

Sd/-
Sunita Ganjoo
Company Secretary

Place : New Delhi
Date : August 12, 2025

Regd. Office:
409, Tower B, DLF Commercial Complex,
Jasola, New Delhi-110025

Annexure I

Details of Directors seeking appointment (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Name of the Director	Mr. Shigeki Iwama
DIN	10075458
Age/Years	56 Years
Date of appointment **Date of reappointment**	01-04-2023 -
Brief Resume/ Qualification	Graduate- Social science
Expertise in specific functional areas	Mr. Iwama brings extensive expertise in sales and marketing, sales network development, export operations, business strategy, and product planning. In addition to his leadership in power products, he has also gained valuable experience in the automotive and motorcycle sectors.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NIL
Name of other Listed companies in which Directorship held	NIL
Listed entities from which the appointee has resigned in past three years	NIL
Chairman/ Member of Board Committees in Listed Companies	Honda India Power Products Limited • Audit Committee- Member • Stakeholders' Relationship Committee- Member • Corporate Social Responsibility Committee - Chairman • Risk Management Committee- Chairman • Board Committee on Financial Matters- Chairman
Shareholding in the Company	NIL
Remuneration to be paid	Rs. 250 Lakhs (Estimated)
Remuneration last drawn	Rs. 245 Lakhs
No. of Meetings attended during the year	5 Board Meetings
Terms & Conditions	The terms and conditions shall continue to apply as previously approved by the members vide Postal Ballot dated May, 14,2023

Board's Report

To the Members,

The Board of Directors of your Company ("Board") is pleased to present the 40th Annual Report of Honda India Power Products Limited ("Company") for the financial year ended March 31, 2025.

1. Financial Highlights

(Rs. in Lakhs)

Particulars	Year Ended	
	March 31, 2025	March 31, 2024
Revenue from Operations	79,423	98,907
Other Income	4,228	4,142
Profit before tax	10,770	12,373
Tax Expenses	2,776	3,152
Profit after Tax	7,994	9,221
Other Comprehensive Income	(63)	(10)
Total Comprehensive Income for the year	7,931	9,211

Results of Operations and the state of Company's affairs

Your Company achieved aggregate revenue from operations of Rs. 79,423 Lakhs in 2024-25 (as against Rs. 98,907 Lakhs in 2023-24). This marks a reduction of 20% over the previous year. The Profit Before Tax has reduced by 13%.

To expand it's product line, the Company has recently launched battery-operated handheld power equipment (DCHH) and new category of power products under the brand **'HI'**. The Company believes that this shall give it an edge in the market among other competitors by having a very broad range of Power Products suiting to every segment of the customers.

Discussion on the performance and state of the Company's affairs has been covered as part of the Management Discussion and Analysis which forms part of this Report and is annexed as **Annexure–A.**

2. Dividend

Interim Dividend

The Board of Directors, at its meeting held on February 10, 2025, declared an interim (special) dividend of Rs. 10/- (Rupees ten only) i.e. (100%) on Equity Shares of face value of Rs. 10/- each fully paid up for the FY 2024–25.

Final Dividend

Your Directors are pleased to propose a final dividend at the rate of Rs. 21.50 (Rupees Twenty-One and Fifty paisa only) per equity share of the face value of Rs. 10/- each (215%), for financial year ended March 31, 2025. Dividend pay-out has been determined in accordance with the Company's dividend distribution policy. Dividend will be payable subject to approval of members at the ensuing Annual General Meeting and the deduction of tax at source to those Shareholders whose names appear in the Register of Members as on the Record Date.

3. Dividend Distribution Policy

Pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Dividend Distribution Policy of the Company is available on the Company's website at

https://www.hondaindiapower.com/admin/public/uploads/document/h4N92dvHS0.pdf

4. Share capital

During the year under review, there was no change in the share capital of the Company.

5. Depository System

As per SEBI Listing Regulations, all Company shares are compulsorily tradable in electronic form. Accordingly, the Company will no longer process requests for transfer of securities in physical form. Requests for transmission, transposition, duplicate share certificates, split, and consolidation must be made in dematerialized form only. In such cases, the Company will issue a Letter of Confirmation, which should be submitted to your Depository Participant (DP) to credit the securities electronically.

To benefit from the advantages of the Depository system and to mitigate the risk of fraud, shareholders holding physical shares are encouraged to convert them to demat form through either of the Depositories.

The Company has secured a special contingency insurance policy that provides for risk associated with the issuance of duplicate share certificates and claims related to IEPF.

In line with SEBI's directive to strengthen due diligence for dematerialization, the Company has provided a static database of shareholders holding physical shares to the Depositories, enhancing system integrity and facilitating the validation of dematerialization requests.

6. Transfer of unclaimed dividend to Investor Education and Protection Fund

In accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, and Amendments Rules, 2017, the Company is required to transfer shares on which dividends have remained unpaid or unclaimed for seven consecutive years or more to the Investor Education and Protection Fund (IEPF) Suspense Account. The Company has duly transferred such shares to the Demat Account of the IEPF Authority and uploaded the relevant details on our website: https://www.hondaindiapower.com/investors/dividend-and-iepf.

Members can claim these shares and any accrued benefits from the IEPF Authority by following the prescribed procedure.

Additionally, dividends unpaid for seven years from the date of transfer to the unpaid dividend account are also required to be transferred to the IEPF, as per Sections 124 and 125 of the Companies Act. Details of such unclaimed dividends are available on our website:
https://www.hondaindiapower.com/investors/dividend-and-iepf.
Shareholders who have not claimed their dividends for the past seven years are requested to contact the Company's Registrar and Share Transfer Agent to claim them.

During the year, 100 jointly held shares belonging to two shareholders were transferred to the unclaimed suspense account. There were no shares lying unclaimed at the beginning of the year.

7. Environment Protection and Safety

Your Company is committed to further reducing CO^2 emissions by 3% during financial year 2025-26. This goal is supported by a dedicated Safety & Environmental team that oversees the implementation of robust environmental sustainability practices across all operations. We continuously update our operational standards and environmental management systems to meet the targets, extending these practices to our major suppliers and service providers as well.

We actively promote sustainable development by managing resources efficiently and ensuring our products comply with all relevant regulatory standards. Our comprehensive health and safety management system covers and takes care of all employees across the Company.

Through regular safety meetings, suggestion schemes, and proactive participation from our Associates, we foster a culture of safety and environmental responsibility, ensuring a secure and healthy working environment for all stakeholders.

8. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information on Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo pursuant to Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure - B** to this Report.

9. Occupational health and safety

The Company has established a comprehensive Health, Safety, and Environment (HSE) policy supported by regular awareness programmes, HSE management system and a strong monitoring framework to ensure its effectiveness. Our approach follows the 'Plan-Do-Check-Act' cycle, driving continuous improvement across all operations. The policy is available on website of the Company at:

https://www.hondaindiapower.com/admin/public/uploads/document/s25R4zrdv5.pdf

The HSE management system encompasses risk assessments in key areas, including workplace safety, fire hazards, process safety, machinery risks, and occupational health. Regular audits are conducted to evaluate the Company's HSE performance and ensure compliance with all regulatory requirements, reinforcing our commitment to a safe and sustainable work environment.

10. Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') Annual Return for previous Financial Years and draft Annual Return for the Financial Year 2024-25, to be filed with the Registrar of Companies ('ROC'), Ministry of Corporate Affairs, pursuant to Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is available on website of the Company at

https://www.hondaindiapower.com/investors/Annual%20Return

11. Details of Board and Committee Meetings

The Directors actively participate in Board and Committee Meetings, offering valuable guidance and advice to the Management on key business areas, including policy direction, governance, and compliance. This proactive involvement ensures the Board plays a crucial role in strategic decision-making.

During the year, the Board met six times, with the intervals between meetings complying with the timelines prescribed under the Companies Act, SEBI Listing Regulations, and relevant Circulars from the Ministry of Corporate Affairs and SEBI. The Board has consistently accepted all recommendations of the Audit Committee during the year under review.

For detailed information on the Board's Committees, please refer to the Corporate Governance Report included in this Annual Report.

12. Managing the Risks of Fraud, Corruption and Unethical Business Practices

Your Company is committed to upholding the highest standards of integrity, transparency, and accountability in all its operations. To support this commitment, the Company has established a comprehensive Whistle Blower Policy, which serves as a formal vigil mechanism for all stakeholders, including employees, suppliers, customers, and other relevant parties.

This Policy enables stakeholders to report genuine concerns regarding unethical behaviour, actual or suspected fraud, violations of the Company's Code of Conduct, or any other misconduct. It reflects the Company's strong stance against any form of wrongdoing and reinforces our dedication to good corporate governance.

The Whistle Blower Mechanism is designed to ensure that concerns are addressed effectively and confidentially. In exceptional cases where the issue requires higher-level intervention, the Policy provides for escalation directly to the Chairman of the Audit Committee, ensuring that serious concerns receive the attention they deserve.

To safeguard the integrity of the reporting process, the Policy incorporates sufficient protection against victimization of whistleblowers.

For detailed information, the Whistle Blower Policy is available on the Company's website at:

https://www.hondaindiapower.com/admin/public/uploads/document/fE65sfbg4p.pdf .

13. Risk Management

Operating in a dynamic, uncertain, and complex environment, your Company recognizes the critical importance of effective risk management to safeguard its assets, ensure business continuity, and create long-term value for stakeholders. To address these challenges, the Company has established a robust Risk Management Framework tailored to its size and operational complexity.

This framework is designed in compliance with regulatory requirements and aligns with industry best practices, reflecting our proactive approach to risk management. The primary objective is to foster a culture of accountability and competence across the organization, ensuring that risks are identified, assessed, and managed effectively at all levels.

The Risk Management Framework encompasses key activities, including:

- **Risk Identification:** Systematic identification of potential risks across all business functions.
- **Risk Assessment and Prioritization:** Evaluation of risks based on their impact and likelihood to prioritize management efforts.

- **Risk Monitoring and Review:** Continuous monitoring of identified risks and periodic reviews to adapt to changing circumstances.
- **Risk Control:** Implementation of measures to mitigate or eliminate risks, ensuring they remain within acceptable limits.
- **Risk Response Planning:** Development of strategic response plans to address high-priority risks effectively.

This comprehensive approach enables the Company to manage risks proactively, minimizing their potential impact and enhancing decision-making processes.

For more details, the Company's Risk Management Policy is available on our website at:

https://www.hondaindiapower.com/admin/public/uploads/document/rghiGWR896.pdf .

14. Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013, your Directors to the best of their knowledge & belief, confirm that:

(a) in the preparation of the annual accounts for the year ended March 31, 2025 the applicable Accounting Standards have been followed and there are no material departures;

(b) the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and Profit and Loss of the Company as at March 31, 2025;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively; and

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

15. Particulars of Loans, Guarantees or Investments

The Company has not made any investments or given loan or provided guarantee/security during the year under review in terms of Section 186 of the Companies Act, 2013.

Further, the Company has not availed any loan from any Bank or Financial Institutions which requires explanation in term of Rule 8 of Companies (Accounts) Rules, 2014

16. Statutory Compliance

The Company has adequate systems and processes in place to comply with all applicable laws and regulations, pay applicable taxes on time and ensures statutory CSR spend.

17. MSME

The Company has registered itself on Trade Receivables Discounting System platform (TReDS) and complies with the requirement of submitting the required returns within the prescribed timelines.

18. Auditors

i) **Statutory Auditors**

In accordance with the provisions of Section 139 of the Companies Act, 2013, and the Rules made thereunder, M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) were appointed as the Statutory Auditors of the Company for a term of five (5) years. Their appointment is effective until the conclusion of the 42nd Annual General Meeting of the Company.

The statutory auditors have confirmed that they are not disqualified to continue as Statutory Auditors of the Company.

As required under the SEBI Listing Regulations, the Statutory Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Statutory Auditor's Report

The Statutory Auditors' Report on the accounts of the Company for the financial year ended March 31, 2025, is self-explanatory and does not call for further explanations or comments that may be treated as adequate compliance of Section 134 of the Companies Act, 2013.

There is no qualification, reservation or adverse remark made by the Statutory Auditors in their report for FY 2024-25.

Report on Frauds, if any

During the year under review, no incidence of any fraud has occurred against the Company by its officers or employees. Neither the Audit Committee nor the Board of the Company has received any report involving any fraud, from the Statutory Auditors of the Company. As such, there is nothing to report by the Board, as required under Section 134 (3) (ca) of the Companies Act, 2013.

ii) **Internal Auditors**

To have a proper and efficient internal audit system, the Company has a rotation policy for Internal Auditors. The current Internal Auditors have been rotated after a period of 5 years & M/s Deloitte Touche Tohmatsu India LLP has been appointed as Internal Auditors of the Company for the financial year 2025-26. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

iii) **Cost Auditors**

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, M/s Rakesh Singh & Co., Cost Accountants have been reappointed as the Cost Auditors of the Company for the financial year 2025-26. They will conduct the cost audit of the Company's accounts in compliance with the applicable Cost Audit Rules.

The remuneration of the Cost Auditors has been approved by the Board of Directors based on the recommendation of the Audit Committee. The necessary resolution seeking ratification of the remuneration of the Cost Auditors by the Members of the Company has been included in the Notice of the ensuing Annual General Meeting (AGM).

The Cost Auditors have provided a certificate confirming that their appointment is within the limits specified under Section 141(3)(g) of the Companies Act, 2013, and that they are not disqualified from appointment under the said Act.

iv) **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s Saryu Munjal & Associates to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report for the financial year 2024-25 is annexed to this Report as **Annexure-C**

M/s TVA & Co. LLP, Company Secretaries, (LLPIN: AAE -9329), is proposed to be appointed, on the basis of recommendation of Board of Directors, as the Secretarial Auditors of the Company from the Financial year 2025-26 to Financial year 2029-30 pursuant to the provisions of Regulation 24A of SEBI Listing Regulations and Section 204 of the Companies Act, 2013 and rules made thereunder, subject to the approval of shareholder of the Company at the ensuing AGM. Written consent of the Secretarial Auditors and confirmation to the effect that they are eligible and not disqualified to be appointed as the Secretarial Auditors of the Company in terms of the provisions of the Listing Regulations, Companies Act, 2013 and the rules made thereunder, has been obtained.

19. Related Party Transactions

The Company has established a proper process to periodically review and monitor Related Party Transactions (RPTs), ensuring transparency, compliance, and alignment with regulatory requirements.

All Related Party Transactions entered into during the financial year 2024-25 were conducted in the ordinary course of business and on an arm's length basis. These transactions were duly approved by the Audit Committee, which also reviewed and approved the estimated related party transactions for the financial years 2025-26 and 2026-27.

The Company is seeking shareholders approval for material related party transactions at the ensuing AGM. Shareholders are requested to refer to the AGM Notice for detailed information on the proposed transactions.

For comprehensive details, the Company's Policy on Related Party Transactions, as adopted by the Board, is available on our website:

https://www.hondaindiapower.com/admin/public/uploads/document/Fzb5y82w4l.pdf

20. Adequacy of Internal Control over Financial Reporting

The Company has established a comprehensive Internal Financial Control (IFC) system designed to ensure the adequacy, effectiveness, and reliability of management policies, processes, and procedures. This system serves as a key component of our governance framework, aimed at safeguarding the Company's assets, ensuring the accuracy of financial reporting, and promoting operational efficiency.

For the financial year ended March 31, 2025, the Board is of the opinion that the Company's IFC system is proper and commensurate with the nature and scale of its business operations. The controls are operating effectively, and no material weakness is reported or identified.

To maintain the robustness of the IFC system, the Company has implemented a continuous monitoring process to identify any potential gaps. Where such gaps are identified, corrective actions are promptly taken to enhance controls, ensuring they remain effective in mitigating risks that could materially impact the Company's operations.

The IFC framework is governed by well-documented policies, guidelines, and procedures. It is further strengthened through an extensive internal audit program conducted by independent third parties, regular management reviews, and oversight by the Audit Committee, ensuring a dynamic and responsive control environment.

21. Corporate Social Responsibility initiatives

Aligned with our core theme and vision of building sustainable and inclusive communities, the Company remains committed to implementing flagship CSR programs that create meaningful and lasting social impact.

During the year, the Company launched an initiative focused on Infrastructure and Soft Skills Development in local schools.

This program aims to enhance the quality of education in the communities by improving school infrastructure and providing students with essential soft skills. These efforts are designed to empower young learners and better prepare them for future academic and professional success.

22. Criteria for appointment of Directors and remuneration to be paid to Directors, Key Managerial Personnel and other employees.

The Company has in place policies on 'Criteria for Appointment of Directors' and 'Remuneration for Directors, KMPs and all other employees of the Company'.

The policies suggest the Directors to be of high integrity with relevant expertise and experience so as to have a diverse and informed Board. In addition, these Policies further lay down the positive attributes/ criteria which the Nomination and Remuneration Committee take into consideration while recommending the candidature for the appointment as Director on the Board.

These policies may be accessed on the Company's website at the link https://www.hondaindiapower.com/admin/public/uploads/document/0sH46gypAl.pdf .

23. Declaration of Independence

The Independent Directors of your Company have certified their independence to the Board, stating that they meet the criteria for independence as mentioned under Section 149(6) of the Act.

The Board is of the opinion that the Independent Directors of the Company have fulfilled the conditions as specified in SEBI Listing Regulations, are independent of the management, possess requisite qualifications, experience, proficiency and expertise and they hold highest standards of integrity.

The Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs, ('IICA') as required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

24. Directors and Key Managerial Personnel (KMP)

i) **Cessation of Directors**

1. Ms. Alka Marezban Bharucha, on account of completion of her tenure, retired as an Independent Director on the Board of the Company with effect from September 15, 2024.
2. Ms. Kaori Osakada on account of her re-location by Honda Motor Co., Ltd., Japan, has resigned from the Board of Directors of the Company with effect from February 11, 2025.

The Board placed on record its appreciation for the assistance and guidance provided by Ms. Alka Marezban Bharucha and Ms. Kaori Osakada during their tenure as the Members of the Board of Director of the Company.

ii) **Retirement by Rotation**

In accordance with the provisions of the Companies Act, 2013 and applicable Regulations issued by the SEBI, Mr. Shigeki Iwama (DIN: 10075458), CMD and President & CEO of the Company will retire by rotation at the forthcoming AGM and being eligible, offers his candidature for re-appointment. The Board recommends his re-appointment.

Necessary resolution for the re-appointment of Mr. Shigeki Iwama and disclosure in terms of the Secretarial Standard 2 and the SEBI Listing Regulations are given in the Notice convening the AGM.

As per the confirmations received from Mr. Shigeki Iwama, he is not disqualified to be appointed as Director as specified in Section 164(2) (a) and (b) of the Companies Act, 2013.

iii) **Appointment of Directors**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors has approved the appointment/re-appointment of the following individuals to the Company's Board:

1. **Mr. Akihiro Sakurai** (DIN: 10570035) – appointed as a Whole Time Director for a period of three (3) years w.e.f. April 01, 2024 through postal ballot dated May 22, 2024.
2. **Mr. Balachandran Dharman** (DIN: 01831731) – appointed as a Non-Executive, Independent Director at the 39th Annual General Meeting held on September 05, 2024.
3. **Mr. Ravi Prakash Mehrotra** (DIN: 06843899) – reappointed as a Non-Executive, Independent Director for a second term of 2 years through postal ballot dated March 26, 2025.
4. **Mr. Yasuhiro Takabatake** (DIN: 10909958) – appointed as a Non-Executive, Non-Independent Director through postal ballot dated March 26, 2025.

The voting results for the aforementioned resolutions are available on the Company's website.

The Board affirms that Mr. Balachandran Dharman and Mr. Ravi Prakash Mehrotra, in their capacity as Independent Directors, possess the necessary qualifications, extensive experience, and professional expertise (including demonstrated proficiency, as applicable), and uphold the highest standards of integrity.

iv) **Revision in remuneration of Whole Time Director**

The Board of Directors, following an annual performance evaluation and considering Mr. Vinay Mittal's professional background, experience, and overall engagement with the Company, reviewed and approved a revision in his remuneration. This decision was made in accordance with the Company's Remuneration Policy and based on recommendations from the Nomination and Remuneration Committee of the Board. The revised remuneration applies from April 01, 2025 to March 31, 2026 (both days inclusive).

The proposed remuneration revision was approved by the Members through postal ballot on March 26, 2025. The voting results have been updated on the Company's website and the Stock Exchanges.

25. Board/Directors' Evaluation

The annual performance evaluation of the Board, its Committees, and Directors, including Independent Directors, was conducted in alignment with the evaluation criteria established by the Nomination and Remuneration Committee (NRC). Directors provided feedback through a structured questionnaire assessing the performance of the Board, its Committees, individual Directors, the CMD and the President & CEO.

Key Focus Areas of Evaluation:

- Board and Committee Functioning: Composition, experience, competencies, governance practices, transparency, and fulfilment of obligations.
- Individual Director Assessment: Attendance, contributions to discussions, and exercise of independent judgment.

A separate evaluation was conducted for individual Directors to ensure comprehensive feedback. The Independent Directors convened a meeting on February 10, 2025, to review the performance of Non-Independent Directors, the Board as a whole, and the Chairman. This process reflects adherence to best practices for board evaluations aimed at enhancing governance effectiveness.

26. Directors and Officers Insurance ('D&O')

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken insurance for all its Directors and Members of the Senior Management.

27. Familiarization program imparted to Independent Directors

Independent Directors are regularly updated during Board and Committee meetings on key aspects such as business strategy, activities, manufacturing operations, and regulatory changes. Their opinions and suggestions are actively sought to enhance decision-making and governance.Upon appointment, Independent Directors and Executive Directors receive detailed letters outlining their terms of appointment, duties, responsibilities, and expected time commitments. The induction process for Non-Executive and Independent Directors includes interactive sessions with management, business and functional heads, as well as visits to company facilities.

Details of the familiarization program imparted to Independent Directors are available on the company's website at:
https://www.hondaindiapower.com/admin/public/uploads/document/3c9R0V08uR.pdf
This program ensures that Independent Directors are well-informed to effectively contribute to the Company's governance and strategic objectives.

28. Board diversity

Your Company acknowledges the vital role that a diverse Board plays in driving success. We firmly believe that a truly diverse Board, encompassing differences in thought, perspective, knowledge, skills, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race, and gender, will leverage these differences to enhance our competitive advantage. This diversity fosters improved decision-making, innovation, and stakeholder representation, ultimately contributing to our long-term growth and sustainability. The policy can be accessed at https://www.hondaindiapower.com/admin/public/uploads/document/N6bp7C6ke.pdf

Our commitment to diversity reflects our dedication to being a responsible corporate citizen, enhancing our reputation and fostering stronger relationships with investors and the broader community.

29. Explanations or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their reports.

The Report of the Auditors on the Financial Statements of the Company is part of the Annual Report. The report is not qualified.

30. Other Disclosures:

During the year under review, there were no transaction requiring disclosure or reporting in respect of matters relating to: (a) details relating to deposits covered under Chapter V of the Act; (b) issue of equity shares with differential rights as to dividend, voting or otherwise; (c) issue of shares (including sweat equity shares) to employees of the Company under any scheme; (d) raising of funds through preferential allotment or qualified institutions placement; (e) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future; (f) buy-back of its own securities and (g) issue of bonus shares .

31. Corporate Governance

Our Company has a long-standing legacy of ethical governance practices and remains committed to implementing robust corporate governance principles. These practices are designed to enhance transparency in our operations and maximize shareholders' value. A comprehensive Report on Corporate Governance is included as **Annexure–E** and forms an integral part of the Board Report.

To ensure compliance with regulatory requirements, the Auditor's Certificate, as stipulated under Schedule V of the SEBI Listing Regulations is annexed as **Annexure–F & I** to the Board Report. This certification underscores our commitment to maintaining the highest standards of governance and transparency, aligning with the principles of accountability and ethical decision-making that are essential for building trust among stakeholders.

32. Business Responsibility and Sustainability Report

The 'Business Responsibility and Sustainability Report' (BRSR) of your Company for the Financial Year ended March 31, 2025, as required under Regulation 34(2)(f) of the Listing Regulations, is annexed at **Annexure – J** and forms part of this Annual Report. Your Company continues to execute strong ESG proposition by working with all relevant stakeholders as well as in its own operations.

33. Sexual Harassment of Women at Workplace

The Company is committed to fostering a workplace environment free from discrimination and harassment based on gender. To uphold this commitment, the Company has implemented a comprehensive Sexual Harassment Policy, which provides clear guidelines on addressing and preventing such issues.

An Internal Committee, established in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, oversees the enforcement of this policy. Regular training sessions are conducted to educate associates about the policy and promote awareness, ensuring proactive measures to prevent any occurrences of harassment.

The policy can be accessed at

https://www.hondaindiapower.com/admin/public/uploads/document/Zv1WRyrybj.pdf

During the year, no complaints of sexual harassment were reported, reflecting the effectiveness of the Company's preventive measures and its dedication to maintaining a respectful and inclusive workplace.

34.a. Code of Conduct and Ethics

The Board of Directors has adopted a Code of Conduct and Ethics for the Directors and Senior Executives of the Company, aimed at conducting business ethically while upholding responsibility, integrity, fairness, and transparency. This framework provides guiding principles for the conduct of individuals in their interactions with the Company, fellow Directors and employees.

The Code is accessible on the Company's website via the following link:

https://www.hondaindiapower.com/admin/public/uploads/document/852tcJ8g4n.pdf.

Additionally, a declaration signed by the CMD and President & CEO regarding compliance with this Code by Board Members and Senior Executives is annexed as **Annexure–G** and forms part of the Board Report. This initiative underscores the Company's commitment to ethical governance and professional conduct.

b. **Code of Conduct on Insider Trading**

Your Company has established a comprehensive Code of Conduct that aligns with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code provides detailed guidelines on procedures to follow and disclosures to make when dealing in the Company's shares. It also highlights the consequences of non-compliance, ensuring that all stakeholders are aware of their responsibilities and obligations.

To reinforce compliance with insider trading laws, the Company conducts periodical training sessions for employees. These sessions offer practical insights and training, enabling employees to understand and adhere to the regulations effectively. This proactive approach underscores the Company's commitment to maintaining the highest standards of integrity and transparency in its operations.

35. Respecting Human Rights

Your Company has adopted a comprehensive Human Rights Policy, supported by the Code of Conduct, Diversity Policy, and other relevant policies. These policies collectively promote respect for human rights and are integrated into our day-to-day operations to ensure their effective implementation.

To address any concerns or violations, the Company has established a structured investigation process. This process is overseen by the Business Ethics Proposal Line (BEPL) and the Business Ethics Committee, ensuring that all matters are handled with diligence and transparency.

36. Secretarial Standards

During the Financial Year, your Company has complied with the mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

37. Proceedings under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

During the financial year, neither any application nor any proceeding is initiated against the Company under the Insolvency and Bankruptcy Code, 2016.

38. Compliance Management

Our Company is committed to maintaining full compliance with applicable laws and regulations. To ensure ongoing adherence, we utilize a robust Compliance Management System that includes early warning mechanisms and an escalation matrix. This system enables us to proactively track and manage compliance with relevant legal requirements.

To maintain transparency and oversight, a comprehensive Report on Compliance with applicable laws, rules, and regulations is submitted to the Board on a quarterly basis. This regular reporting ensures that the Board remains informed about our compliance status, allowing for timely interventions, if needed, and reinforcing our commitment to ethical business practices

39. Particulars of Employees

Disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) have been appended as **Annexure-K** to this Annual Report.

The statement containing particulars of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) and 5(3) of the Rules, forms part of this Report. In terms of Section 136(1) of the Act, the Annual Report is being sent to the Shareholders, excluding the aforesaid statement. The statement is open for inspection upon request by the Shareholders, and any Shareholder desirous of obtaining the same may write to the Company at ho.legal@hipp.co.in.

40. Material changes and commitments affecting the financial position of the Company after March 31, 2025

There were no material changes and commitments affecting the financial position of the Company after March 31, 2025.

Acknowledgements

The Board of Directors would like to extend its heartfelt appreciation to all employees of the Company for their unwavering commitment and dedicated service. Your hard work and contributions have been instrumental in driving the Company's success.

The Board also expresses its sincere gratitude to the banks, government and regulatory authorities, stock exchanges, customers, vendors and Members for their invaluable assistance and cooperation during the year under review. Your support has been vital in enabling the Company to achieve its goals and uphold its values of excellence and integrity.

On behalf of the Board,
for **Honda India Power Products Limited**

Sd/-
Shigeki Iwama
CMD and President & CEO
(DIN 10075458)

MANAGEMENT DISCUSSION & ANALYSIS REPORT

DOMESTIC BUSINESS

GENERATOR

- India today is the 5th largest economy in the world and is striving to become 3rd largest economy by 2027. Government's initiative to digitalize the economy and create a world class infrastructure to support this mission has driven the need for uninterrupted power for everyone and all segments in the society. While power outages related to weather disturbances continued to fuel the demand for generators for backup power, usage of portable generators for primary applications like mobile utility vans, provision for doorstep services like mobile saloons/ pet grooming are also on the rise. A very interesting area wherein Generators have been put to use is for drone charging in the agricultural fields used for various spraying operations in line with Government's vision to "Double farmer's incomes by 2030", enabling accelerated mechanization to drive efficiency in agriculture production. As a result of these factors generator sales were at a similar level as last year.

  Corporate and Institutional demand continued this year as well, due to spending on infrastructure and agriculture.

Opportunities

- Demand for portable generators for applications like milking, chilling, camping for leisure and recreational purposes besides weather related disturbances is expected and will help your Company to maintain its dominant position in the portable generator category and continue to offer optimal power solutions to a diverse group of customers across India.
- Economic activities and operations, especially in small and medium size businesses, with expected portable power back up, demand is on the growth path.
- The Company's promotions focus, mainly on urban, semi-urban and rural markets, to leverage lifestyle / comfort requirements from consumer, are expected to help the Company penetrate its efficient and reliable offerings.

Concerns

- Peak power deficit continues to be within acceptable levels, primarily due to adequate power generation. Interim demand for our products in urban areas driven by long-haul power cuts has thus been on reducing trend.
- Consumer spending remains low due to higher interest rates.

Outlook

- Portable power back up demand and use of generators for new potential applications will help your Company to maintain the volume and its leadership position in the generator category.

GENERAL PURPOSE ENGINES AND WATER PUMPING SETS

- Unseasonal and uneven distribution of monsoon led to a rise in Water Pump sales in the financial year 2024-25, especially in eastern, central, and southern markets. State and Central Government's ongoing support programs towards farming and fisheries sectors were within acceptable levels but the overall process was slow with respect to release of funds by the Government.
- Launch of new 4-inch outlet water pump model launched in August 2024, helped the Company to offer an optimal solution to farmers grappling with bulky diesel water pumps and further strengthened its market leadership position with the existing line-up of 1.5-inch,2-inch and 3-inch water pumps.
- 2-inch water pump sales in the financial year crossed a milestone of 60K+ units which has helped the Company to maintain its leadership position in water pump segment.
- Construction segment mechanization, primarily towards small, portable and compact machines was good due to focus on overall infrastructure growth.
- In the previous financial year, your Company launched multiple models of concrete vibrator for the construction industry thereby providing a standardized solution for deflation of freshly laid concrete mix, a critical construction process. The Company is making efforts to increase its footprint in the construction segment by introducing more of such engine driven applications based on its success in other global markets and improving the efficiency and speed of construction in line with Government's direction to create a world class infrastructure to maintain the momentum of fastest growing economy in the world.
- Your Company also introduced two models of stationary sprayers having multiple applications for spraying of various plant protection liquids in the agriculture segment and for equipment washing purposes.
- The Company targeted reach in coastal areas and waterways by expanding engine driven long tail boat application for small and medium sized boats navigating the inland waterways and offshore fishing with introduction of Honda GX powered long tail boat in March 2025 thereby accelerating shift from manual to mechanized process.
- The Government's planned investment in irrigation and infrastructure projects is expected to help fuel-based engine demand. Continued supply chain requirements towards agriculture produce / products ensured demand and need for farm operation products and services. Company's demonstration activities, supported through vans and manpower deployment, for new products recently launched in the agricultural and construction markets, are well received and is helping the customers to reap the benefits of portable and cost-effective solutions for their timely land preparation, deweeding and irrigation needs besides offering portable, environment friendly and cost-effective solution in diesel dominated construction machinery segment.

Opportunities

- Increasing investments in infrastructure was one of the key factors bolstering the growth of the construction market in India.
- Harnessing available surface water for irrigation of agricultural crops will continue to drive demand for portable water pumps in the agricultural segment.

- Construction mechanization, through portable engines run applications and farm mechanization products such as engines, water pumps, brush cutters, power tillers and crop harvesters will accelerate shift to mechanization with decreasing farm labour and will fuel the demand of portable machinery. Expected continuity in Government support will provide much needed fillip for our product portfolio and offerings.
- Growing awareness to address environmental concerns brings in demand for more fuel-efficient 4 stroke engine powered applications.

Concerns

- Subsidy policy by the State and Central Government and its operational complexities is a point of concern leading towards delays in purchase by end customers. Your Company endeavors to closely engage with various stakeholders in Government through its field teams to have a much deeper understanding of the process and contribute towards acceleration of the implementation of Government schemes to help farmers in their buying decision to acquire portable farm solutions for their various agricultural process.

Outlook

- The infrastructure sector in India is expected to generate better momentum in the next few years due to increased investment in infrastructure such as national highway facilities, warehousing, airports and urban/rural housing projects.
- The Company is pursuing to develop multi-channel structure in the country across various segments to develop application related products and equipment. Tying up with small, medium and specialized partners and OEM is expected to build much-needed ecosystem of cost competitiveness and application specific product sales and services.

BRUSH CUTTERS

- Honda's range of fuel efficient and reliable 4 stroke brush cutters are specifically suited for optimal solution for various farm activities like de-weeding and crop harvesting.
- The Company continues to offer its environment friendly 4 stroke brush cutter range for routine de-weeding operation and farm/ real estate management across all major markets in India.
- Our complete portfolio of fixed shaft, flexible shaft and high-powered variants provide optimal solutions to the needs of professional users.

Concerns

- Subsidy policy by the State and Central government and its operational complexities, is leading to delay in purchase by the end customers.
- Influx of low cost imported brush cutters mainly from China has destabilized the pricing in the market.

TILLERS

- The Company's focus towards agriculture mechanization was strongly led with its expanding line-up of Power Tillers.
- The financial year 2024-25 was very challenging for the overall tiller market due to delay in implementation of various subsidy schemes of Central and State Governments due to complex disbursal process leading to lower end customer purchase. End customers withheld their purchases in anticipation of scheme release in season time which inadvertently got delayed.

EXPORT BUSINESS

- Overall Export Business was 106% of the plan set in the beginning of the year.
- 2~3Kva models sales in Europe, Africa, Japan and China was major business driver amongst genset category.
- The Company successfully introduced its New 4-inch Water Pump model in Nepal.
- Water Pump and Tiller sales are showing increasing acceptability in Asia Oceania Region.

Concerns

- Political uncertainty in certain countries may affect export business.
- Stricter CARB/EPA /CPSC regulations are impacting the prospect sales.
- Competing with global supply chains and various accessibility routes, especially in new and emerging markets, continues to place price competitiveness a major driver and challenge for success.

Outlook

- Company is engaging with channel partners to develop and nurture the gasoline fueled Tillers, Engines and Water Pumps.

INTERNAL CONTROL SYSTEM

Your Company remains dedicated to the continuous enhancement of its internal control systems across all business processes. It has well established robust internal controls that are appropriately scaled to the size and operations of the Company. These controls are specifically designed to:

- Safeguard Company assets against unauthorized use or loss;
- Ensure efficient business operations in accordance with Company policies;
- Maintain the accuracy, completeness, and reliability of financial and accounting records; and
- Ensure compliance with all applicable laws and regulations.

To ensure the effectiveness and integrity of these internal financial controls, the Company conducts regular internal audits and implements comprehensive checks and balances, including stringent expenditure and budgetary controls.

FINANCIAL PERFORMANCE

Profit before Tax and Exceptional Items for the year was Rs. 10,770/- Lakh as against Rs. 11,975 Lakh in 2023-24.

Key Financial Ratios of the Company which has significant change (i.e. more than 25% change) compared to last year are as follows:

	FY 2024-25	FY 2023-24	Reason for change
Net Profit Margin (%)	10.06	9.32	No significant changes

The return on net worth during the financial year 2024-25 was 9.54% as compared to 11.91% in the financial year 2023-24.

For a detailed explanation of change please refer to Note 34 of notes to Financial Statement.

HUMAN RESOURCES

Our people are key to retaining our competitive edge. We continuously work to create an environment of empowerment through well-defined policies that reflect empathy, celebrate meritocracy and provide ample professional and personal development opportunities. Our people are welcomed into safe workspaces designed around our values of diversity, equity, inclusion and fair play, giving them a healthy space to flourish.

Your Company promote Diversity, Equity and Inclusion at all locations, for all segments of employees and stakeholders and continues its steadfast dedication to promoting equal opportunities within the organization and beyond. Building upon our long-standing legacy through our programmes and inclusive practices, we strive to create a workplace culture where every individual feels valued, respected and empowered to unlock their true potential.

Over the year, several D&I activities have been rolled out which includes reviewing the existing policies and practices and introduction of new policies like paternity leave, hybrid working model and flexible work timings for female associates to make the workplace inclusive, supporting gender equality and aimed at their career progression. These initiatives underscore the Company's commitment to creating an inclusive and supportive workplace.

Your Company is committed to enhance the green human resource management practices by digitalizing HR processes. Through these initiatives, the Company showcases its dedication to environmental stewardship and reinforces its role as a responsible corporate citizen, contributing positively to sustainability and social responsibility.

We consider our employees critical to our success. Our human resource strategy is outlined to build better organizational capabilities, hire and retain the best talent and create a culture that delivers long-term value and sustain competitiveness in the global marketplace.

The relationship between the management and the workers has evolved significantly. Dialogue and communication at periodic intervals have helped in addressing the grievances and challenges faced by both the associates and the organization. The Management ensures timely updates and cascading of critical information and updates on the business side to its associates.

Your Company considers the health and safety of its employees as the very basic foundation for a positive organizational work culture that is focused on business excellence. Our workforce is our greatest asset. With a commitment to promoting holistic development and creating a safe, inclusive and progressive work environment, through the strategic focus of Responsible Business, we strive to foster a culture of learning and support for our employees.

The Company's CSR initiatives aim to create social value for the local community and society at large. The Company undertakes CSR projects in the areas of child education, community development etc. Through its' CSR projects, the Company aims to create a meaningful and lasting impact on the lives of beneficiaries.

The Company as on March 31, 2025, had 727 associates.

INFORMATION TECHNOLOGY

With increasing digitalization, rise in cyber-crimes and downtimes in manufacturing industry, high cost of data breaches and evolving regulations, businesses are placing greater focus on detecting, preventing, and combating information security threats. The Company identified its information security risks and is committed to safeguarding business information from internal and external threats. The Company has established robust policies and processes on information security.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include significant changes in political and economic environment in India and key markets abroad, tax laws, litigation, labor relations and interest costs.

Annexure – B to Board's Report

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

(a) Conservation of energy

(i)	The steps taken for impact on conservation of energy	Following energy conservation measures were taken to reduce the energy consumption: 1. Reduction in fuel consumption by thermal painting implemented in paint shop oven resulting in saving of png gas consumption of 929 scm per year. 2. Installation of VFD on ASU (air supply unit) blower and paint booth exhaust fan in paint shop resulting in saving of 8,748 kwh per year. 3. In PDC shop machine optimization of burner efficiency resulting in saving of PNG gas consumption of 3,527 scm per year. 4. Reduction in energy consumption by installation of energy efficient pump in vam unit. This resulted in saving of 10,647 kwh per year. 5. Reduction in energy consumption by installation of energy efficient motor in dry off oven resulted in saving of 2,559 kwh per year. 6. Reduction in energy consumption by replacement of overhead light of steel shop with energy efficient led lights. This resulted in saving of 1,366 kwh per year. 7. Reduction in energy consumption by installation of energy efficient pump on neutralization pit. This resulted in saving of 2,559 kwh per year.
(ii)	The steps taken by the Company for utilizing alternate sources of energy	Successfully completed the feasibility study of solar power plant of 300 kw capacity in the year 2023-2024. The project implementation will start from quarter four of FY 2026-2027.
(iii)	The capital investment on energy conservation equipment	Following capital investments were made for energy conservation equipments: Rs. 4.3 Lakh: procurement of energy efficient pumps for Vam unit Rs. 2.0 Lakh: procurement of flue gas analyzer for PDC furnace for optimization of burner efficiency of PDC machine.

B. Technology Absorption

i)	The Effort Made Towards Technology Absorption	1. Upgradation of technical knowledge of associates by using technical expertise of Honda Motor Co. Ltd., Japan, by way of on the job training and guidance to the company's engineers and technicians. 2. For development of the new technology model and to improve the manufacturing quality of in-plant / out - plant parts, new manufacturing facility has been added in the following areas: A. Adoption of global concept for domestic engines & gensets with E10 and subsequently rollout plan for E20 gasoline. B. Increasing the process efficiency by adopting global honda standards. C. Upgrading existing generator models to continuously meet the regulations of advance countries such as: - • EPA/CARB/CPSC/ANSI/PGMA G300 regulation for the USA market. D. GX200 engine with rpm reduction with high torque is introduced. E. Developing new pump with high discharge performance and usability.
ii)	The Benefits Derived Like Product Improvement, Cost Reduction, Product Development Or Import Substitution	The benefits achieved: A) Ensuring compliance with both customer expectations and regulatory standards across all product lines, including engines and generators. B) Developing environmentally friendly products through effective management and reduction of hazardous substances. C) Reducing costs by focusing on import substitution, benchmarking best practices, and implementing value addition and value engineering strategies. D) Enhancing product appeal and competitiveness, leading to improved sales performance. E) Optimizing packaging design and concepts for parts, resulting in significant cost savings
iii)	In Case Of Imported Technology	Following information is furnished in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a)	The Details Of Technology Imported	For manufacturing/ testing of power products.
b)	The Year Of Import	Technology is being imported since beginning of the collaboration agreement dated 18.10.1985, as is renewed/revamped from time to time and valid for a period of 5 years till march 31, 2027.
c)	Whether The Technology Been Fully Absorbed	No, this is a continuous process.
d)	If Not Fully Absorbed, Area Where Absorption Has Not Taken Place And The Reasons Thereof	Technology is further to be absorbed for localization of high technology engine components and in producing the country specific products / models like: - Engines- OHV technology- to enhance part efficiency through value engineering. - Generator – incorporate advance technologies such as Fuel Injection Systems, Inverters and GCU. - Product enhancement – develop value added products tailored for the US markets, including bluetooth enabled and co sensor integrated models. - Water pump- produce high performance self-priming pumps specifically for indian farmers. - Electrified power unit- integrate electrification technologies into power unit products and operational processes.
iv)	The Expenditure Incurred On Research And Development	Nil

(C) Foreign Exchange Earning and Outgo

During the year the total foreign exchange used was Rs. 14,026 lakh and the total foreign exchange earned was Rs. 16,095 lakh.

Annexure – C to Board's Report

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[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 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Honda India Power Products Limited
CIN: L40103DL2004PLC203950
409, DLF Tower B, Jasola Commercial Complex,
New Delhi-110025

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**Honda India Power Products Limited"** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 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:

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;

(ii) The Securities Contract (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 Borrowings *(Not applicable to the Company with respect to the Overseas Direct Investment and External Commercial Borrowings for the Audit Period under review);*

(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 *(Not applicable to the Company for the Audit Period under review);*

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 *(Not applicable to the Company for the Audit Period under review)*;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not applicable to the Company for the Audit Period under review);*

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with the client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not applicable to the Company for the Audit Period under review*);

h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; *(Not applicable to the Company for the Audit Period under review);*

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) **I further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, during the period under review, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company to its applicable extent: -

1. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, bonus, provident fund, ESIC, compensation etc;
2. Acts prescribed under Environmental Protection laws, by-laws and rules made thereunder;

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. (NSE).

(iii) Codes and Policies adopted by the Company.

Based on the information received and records maintained, **I further report that:**

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

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

iii. Majority decisions of the Board were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors. Decisions carried through by the Board do not have any dissenting views and hence no relevant recordings were made in the minute's book maintained for the purpose.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations, Circulars and Guidelines framed thereunder.

I further report that during the audit period there were following event(s)/action(s) in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc, having a major bearing on the Company's affairs.

(i) **Change in Management**

- Mr. Akihiro Sakurai (DIN 10570035) was appointed as the Whole Time Director of the Company with effect from April 20, 2024, by way of Postal Ballot dated May 22, 2024.
- Mr. Balachandran Dharman (DIN 01831731) was appointed as the Independent Director of the Company with effect from September 15, 2024, in the Annual General Meeting dated September 05, 2024.
- Ms. Alka Marezban Bharucha (DIN 00114067) ceased to be the Independent Director of the Company pursuant to completion of her tenure in the Company with effect from close of working hours of September 14, 2024.
- Ms. Kaori Osakada (DIN 10077646) ceased to be the Non-Executive Director of the Company pursuant to completion of her current assignment in India with effect from close of working hours of February 10, 2025.
- Mr. Yasuhiro Takabatake (DIN 10909958) was appointed as the Director (Non- Executive / Non-Independent) of the Company, with effect from February 11, 2025, by way of Postal Ballot dated March 26 2025.
- Mr. Ravi Prakash Mehrotra (DIN 06823899) was re-appointed as an Independent Director of the Company for a second term of two years with effect from March 31, 2025, by way of Postal Ballot dated March 26 2025.

The Company has duly filed necessary intimations in regard to the aforementioned changes in the management with the Stock Exchanges and the Registrar of Companies.

(ii) **Postal Ballot**

During the period under review, the Company has passed the following resolutions by way of postal ballot through e-voting on:

May 22, 2024:

1. Appointment of Mr. Akihiro Sakurai, (DIN: 10570035) as a Director.
2. Approval for appointment of Mr. Akihiro Sakurai, (DIN: 10570035) as the Whole Time Director of the Company and the remuneration payable to him.
3. Approval for revision in remuneration payable to Mr. Vinay Mittal (DIN 05242535), Whole Time Director of the Company

March 26, 2025

1. To appoint Mr. Ravi Prakash Mehrotra (DIN: 06823899) as an Independent Director of the Company for a second term of two years.
2. Appointment of Mr. Yasuhiro Takabatake (DIN:10909958) as a Non-executive (Non-Independent) Director of the Company.
3. Approval for revision in remuneration payable to Mr. Vinay Mittal (DIN:05242535), Whole Time Director of the Company.

The Company has complied with all the provisions related to aforementioned postal ballot and necessary submissions were made by the Company in this regard to the Stock Exchanges and Registrar of Companies on time.

For Saryu Munjal & Associates,
Company Secretaries
Sd/-
Saryu Munjal
Proprietor
M. No. A34161; C.P. No.: 23014
UDIN: A034161G000326266
Peer Review No.: 5633/2024

Date: May 13, 2025
Place: Karnal

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

Annexure – A

(My Report of even date is to be read along with this letter)

To

The Members,

Honda India Power Products Limited

CIN: L40103DL2004PLC203950

409, DLF Tower B, Jasola Commercial Complex,
New Delhi-110025

1. My examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances, but the maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. Compliance with respect to the filings of various Reports, Returns, Forms, Certificates and Documents under the various statutes as mentioned in my Report is the responsibility of the Management of the Company. My examination was limited to checking the execution and timeliness of filing and I have not verified the contents of such Reports, Returns, Forms, Certificates etc.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.**For Saryu Munjal & Associates,**

Company Secretaries
Sd/-
Saryu Munjal
Proprietor
M. No. A34161; C.P. No.: 23014
UDIN: A034161G000326266
Peer Review No.: 5633/2024

Date: May 13, 2025
Place: Karnal

Annexure – D to Board's Report

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2024 -2025

1. **Brief outline on CSR Policy of the Company:**

   The Company strives to be a socially responsible Company and strongly believes in development which is beneficial for society at large. It is the Company's intent to make a positive contribution to the society in which the Company lives and operates. The Company has duly adopted the Policy in compliance with Section 135 read with the Rules and Schedule VII of the Companies Act, 2013. The Company's CSR activities are aimed at demonstrating care for the community through its focus on education, skill development and support to the disadvantaged and marginalized cross section of society.

   Objectives: Our broad objectives, as stated in our CSR Policy, include:

   - To operate the Company's business in an economically, socially and environmentally sustainable manner.
   - To contribute to society at large by way of imparting education, training and development and skill enhancement programs for their development and generation of income.
   - To ensure that CSR funds are allocated and utilized in a planned manner, so as to derive sustainable long-term benefits to the Community at large.

   Focus areas: Your Company continued to drive its CSR initiatives with a special emphasis on a multi-year project dedicated to enhancing infrastructure and developing soft skills in schools located in the communities surrounding the Company.

2. **Composition of CSR Committee:**

S. No.	Name of Directors	Designation	Number of meetings of CSR Committee held during the year		Number of meetings of CSR Committee attended during the year
			S. No. of Meeting	Date of Meeting	
1.	Mr. Shigeki Iwama	Chairman	1	February 10, 2025	1
2.	Mr. Ravi Prakash Mehrotra*	Member			1
3.	Mr. Vinay Mittal	Member			1

   *Reappointed as an Independent Director for the term of 2 years w.e.f. March 31, 2025.

   During the financial year two (02) Resolutions by Circulation were passed by the CSR Committee on May 08, 2024 and October 25, 2024.

3. **Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:**

   The details related to CSR Policy and the approved projects there under are available at https://www.hondaindiapower.com/admin/public/uploads/document/FA8tCPYKwf.pdf and https://www.hondaindiapower.com/admin/public/uploads/document/UKbw2ihfd7.pdf respectively. The current composition of CSR Committee is available at https://www.hondaindiapower.com/admin/public/uploads/document/rZ8a535dHm.pdf

4. **The details of Impact assessment of CSR projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:**

   In pursuance to Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, impact assessment is not applicable to the Company since the average CSR obligation in pursuance of Sub-Section (5) of Section 135 of the Act, for immediately previous 3 Financial Years is less than Rs.10 Crore.

5. **Details of the amount available for set off in pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year:** NIL

6. **Average Net Profit of the Company as per Section 135(5):** Rs. 12,279 Lakh

7. **(a). Two percent of average Net Profit of the Company as per Section 135(5):** Rs. 246 Lakh

   (b). Surplus arising out of the CSR Projects or Programs or activities of the previous Financial Years: Nil

   (c). Amount required to be set off for the Financial Year: Nil

   (d). Total CSR obligation for the Financial Year (7a+7b-7c): Rs. 246 Lakh

8. **(a). CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in ₹):	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
0.90*	246 Lakhs	30-April-2025	N.A	N.A	N.A

   * During the financial year 2024 -25, an expenditure of Rs. 0.90 lakhs was incurred from total allocated amount for identified projects. However, as bills remain pending for payment as of March 31, 2025 the entire amount of Rs. 246 Lakhs was transferred to unspent account.

(b). Details of CSR amount spent against ongoing projects for the Financial Year:

(₹ **in Lakhs**)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/ No)**	**Location of the project.**		**Project Duration**	**Amount allocated for the project**	**Amount spent in the current Financial Year for the project**	**Amount Transferred to Unspent CSR Account for the Project as per Section 135(6)**	**Mode of Implem-entation –Direct (Yes/ No)**	**Mode of Implementation – Through Implementing Agency**	
				State	**District**						**Name**	**CSR Registration Number**
1.	Education	IV	Yes	Uttar Pradesh	Gautam Budh Nagar	2024-2025	246	0	100	No	Honda India Foundation Trust	CSR00001270
2	Environment Sustainability							0.9	145.1			
Total												

Details of CSR amount spent against other than ongoing projects for the Financial Year: Nil

(d). Amount spent in Administrative Overheads: Rs. 8.3 Lakhs

(e). Amount spent on Impact Assessment: As per Point 4 of this Report, Impact Assessment is not applicable. Hence, no amount was spent under this head.

(f). Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 9.2 Lakhs

(g). Excess amount for set off:

S. No.	**Particulars**	**Amount (Rs. in Lakh)**
(i)	Two percent of average Net Profit of the Company as per Section 135(5)	246
(ii)	Total amount spent/transferred to unspent CSR Account for the Financial Year	246
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR Projects or Programs or Activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0

9. (a). Details of Unspent CSR amount for the preceding three Financial Years:

S. No.	**Preceding Financial Year**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the reporting Financial Year (in Rs.)**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.**			**Amount remaining to be spent in the succeeding Financial Years (in Rs.)**
				Name of the Fund	**Amt (in Rs.)**	**Date of transfer**	
1.	2022-23	180 Lakhs	180 Lakhs	NA			-
2.	2023-24	210 Lakhs	111.1 Lakhs	NA			98.9
3	2024-25	246 Lakhs	0.9 Lakhs	NA			145.1

(b). Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

S. No.	**Project ID**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project Duration**	**Total amount allocated for the project (in Rs.)**	**Amount spent on the project in the reporting Financial Year (in Rs)**	**Cumulative amount spent at the end of reporting Financial Year (in Rs.)**	**Status of the project- Completed /Ongoing**
1	-	Health Care	2021-2022		170 Lakhs	170 Lakhs	170 Lakhs	Completed
		Education						Completed
2	-	Education	2022 - 2023		180 Lakhs	180 Lakhs	180 Lakhs	Ongoing
3	-	Education	2023-2024		210 Lakhs	111.1 Lakhs	111.1 Lakhs	Ongoing
		Environment Sustainability						
4	-	Education	2024-2025		246 Lakhs	0.9 Lakhs	0.9 Lakhs	Ongoing
	-	Environment Sustainability						

10. **In case of creation or acquisition of Capital Asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details):**

a)	**Date of creation or acquisition of the Capital Asset(s)**	No Capital Asset during the period under review was created or acquired by the Company.
b)	**Amount of CSR spent for creation or acquisition of Capital Asset**	No amount was spent for creation or acquisition of Capital Asset by the Company.
c)	**Details of the Entity or Public Authority or Beneficiary under whose name such Capital Asset is registered, their address etc**	Not Applicable
d)	**Provide details of the Capital Asset(s) created or acquired (including complete address and location of the Capital Asset)**	Not Applicable

11. **Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5):** Not applicable

Sd/-
Shigeki Iwama
CMD and President & CEO/Chairman CSR Committee
(DIN: 10075458)

Sd/-
Ravi Prakash Mehrotra
Independent Director/Member CSR Committee
(DIN: 06823899)

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

The Company's governance framework is underpinned by a robust value system and a clear organizational philosophy. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at workplace have been institutionalized. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue the highest standards of corporate governance in the overall interest of its stakeholders.

2. Board of Directors

The Board of Directors ('the Board') are responsible for and strive for establishing sound principles of Corporate Governance and are holding the ultimate responsibility for the overall management for long-term success of business of the Company. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

The Board of the Company has an optimum combination of Executive Directors, Non-Executive/ Non-Independent Directors and Independent Directors. The composition of the Board of Directors is in conformity with Regulation 17 of the SEBI Listing Regulations and Sections 149 & 152 of the Companies Act, 2013 ("Act"). During the Financial Year 2024-25, the Board comprised of qualified members who bring in the required skills, expertise and attributes that helps them to make an effective contribution to the Board and its Committees.

The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long-term shareholders' value.

Board Meetings

There is a well-organized system for seeking Board approvals, which facilitates sound and informed decision making by the Board and its Committees. Agenda and other relevant reports are circulated well within the prescribed time. The quantum and quality of information supplied by the Management to the Board goes well beyond the minimum requirement stipulated under the Act, Secretarial Standards and the SEBI Listing Regulations. Where expedient, the Board also approves Resolutions by way of circulation between two successive Board meetings, as permitted by law, which are noted in the subsequent Board Meeting.

Notice of the Board or Committee Meetings is given well in advance to all the Directors. The Agenda of the Board or Committee Meetings is set by the Company Secretary in consultation with the Management of the Company. The agenda for the Meetings includes an Action Taken Report comprising of actions taken on decisions arrived at the Meetings and updates thereof.

During the Financial Year 2024-25, the Board met six times on (i) April 10, 2024, (ii) May 20, 2024, (iii) July 24, 2024, (iv) August 06, 2024, (v) November 14, 2024, (vi) February 10, 2025. The maximum interval between any two consecutive meetings did not exceed one hundred and twenty days. The requisite quorum was present for all Board meetings.

During the financial year, Resolution by Circulation was passed by the Board of Directors dated August 14,2024.

The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is within the respective limits prescribed under the Act, and the SEBI Listing Regulations. The composition of the Board of Directors, attendance of the Directors at the Board Meetings and the Annual General Meeting and other required details as per SEBI Listing Regulations are given below:

S. No.	Name of Director/ Member	Category#	Attendance at the last AGM	No. of Board Meetings attended	Number of Directorship in other public Companies	Number of Directorship in other listed companies	Name of other listed companies where he/she is a Director	Category of Directorship in other listed companies	Number of Committee Membership including (Chairpersonship)	Number of shares held
1	Shigeki Iwama	Non-ID/ED	Yes	5	Nil	Nil	NA	NA	2(Nil)	Nil
2	Akihiro Sakurai*	Non- ID/ ED	Yes	5	Nil	Nil	NA	NA	0(Nil)	Nil
3	Vinay Mittal	Non-ID/ED	Yes	6	Nil	Nil	NA	NA	1(Nil)	Nil
4	Mr. Yasuhiro Takabatake**	Non-ID/ NED	NA	0	Nil	Nil	NA	NA	Nil (Nil)	Nil
5	Kaori Osakada***	Non-ID/ NED	Yes	5	Nil	Nil	NA	NA	Nil (Nil)	Nil
6	Alka Marezban Bharucha****	ID/NED	Yes	4	1	5	1. Orient Electric Limited 2. Ultratech Cement Limited 3. Aditya Birla Sun Life AMC Limited 4. Hindalco Industries Limited 5. ITC Limited	Independent Director Independent Director Independent Director Independent Director Independent Director	2(4)	Nil
7	Ravi Prakash Mehrotra*****	ID/NED	Yes	6	Nil	Nil	NA	NA	Nil (2)	200

8	Anuradha Dutt	ID/NED	Yes	5	1	1	Mawana Sugars Limited	Independent Director	1 (1)	Nil
9	Nitin Savara	ID/NED	Yes	6	2	1	Campus Active wear Limited	Independent Director	3(2)	NIL
10	Balachandran Dharman******	ID/NED	NA	2	0	Nil	NA	NA	Nil (Nil)	NIL

*Appointed as Whole-Time Director w.e.f. April 20, 2024.

** Appointed as Non- Executive Director w.e.f. February 11, 2025.

***Ceased to be a Non – Executive Director w.e.f. close of business hours on February 10, 2025.

**** Ceased to be a Director w.e.f. close of business hours on September 14, 2024.

***** Reappointed as an Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

****** Appointed as Non- Executive Independent Director w.e.f. September 15, 2024.

ID: Independent Director ED: Executive Director NED: Non- Executive Director.

Note:

a. Directorships held by Directors as mentioned above do not include Alternate Directorship, Directorships of Foreign Companies, Section 8 Companies, and Private Limited Companies.

b. In accordance with Regulation 26(1)(a) of SEBI Listing Regulations, for the purpose of number of Membership (Chairpersonship) of Audit Committee and Stakeholders Relationship Committee of Public Limited Companies have been considered.

c. None of the Directors is a member of more than ten Board Level Committees of Public Limited Companies in which they are Directors, nor are they Chairperson of more than five such Committees.

d. There has been no inter-se relationship between the Directors of the Company.

Mr. Ravi Prakash Mehrotra, Independent Director, Chairperson of the Audit Committee and Stakeholders Relationship Committee and Ms. Anuradha Dutt, Independent Director, Chairperson of the Nomination & Remuneration Committee, attended the AGM of the Company held on September 05, 2024 through audio-visual means.

The Company does not pay any remuneration to its Non-Executive/ Independent Directors except sitting fee of Rs. 60,000/- (Rupees Sixty Thousand only) per Meeting for attending the Meetings of the Board and Audit Committee and Rs. 50,000/- (Rupees Fifty Thousand only) per Meeting for attending Meetings of its other Committees. No commission on the net profit of the Company is paid to any Director. There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company, except for the sitting fees paid to them. The Company, from time to time, also avails legal and other consultancy services from M/s DMD Advocates, where Ms. Anuradha Dutt, an Independent Director of the Company, serves as the Managing Partner. Accordingly, apart from the sitting fees received by Ms. Dutt in her capacity as a Director, professional fees are also paid by the Company to M/s DMD Advocates for the services rendered. All such transactions are undertaken with the prior approval of the Audit Committee, in compliance with Regulation 23 of SEBI Listing Regulations.

Board Skills, Expertise and Competencies:

The Board comprises qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee Meetings. The matrix below summarizes a mix of skills, expertise and competencies expected to be possessed by individual Directors, which are key to corporate governance and board effectiveness:

	Mr. Ravi Prakash Mehrotra*	Ms. Alka M. Bharucha**	Ms. Anuradha Dutt	Mr. Nitin Savara	Mr. Balachandran Dharman***	Mr. Shigeki Iwama	Mr. Akihiro Sakurai#	Mr. Vinay Mittal	Ms. Kaori Osakada @	Mr. Yasuhiro Takabatake ##
General										
Board efficiency and effectiveness	√	√	√	√	√	√	√	√	√	√
General management	√	√	√	√	√	√	√	√	√	√
Global/Emerging Markets management experience	-	-	-	√	-	√	√	√	√	√
Governance										
Understanding of legal, ethical and fiduciary duties	√	√	√	√	√	√	√	√	√	√
Risk management	√	√	√	√	√	√	√	√	√	√
Technical										
Health and Safety	-	-	-	-	-	√	√	√	-	-
Supply Chain	-	-	-	-	-	√	√	√	-	-
Marketing, Sales and Customer Service-in relation to power products industry	√	-	-	-	√	√	-	-	-	-
Financial	√	√	√	√	√	√	-	√	-	-
Manufacturing /Engineering acumen	-	-	-	-	-	-	√	-	-	-
Industry Experience										
Manufacturing	√	-	-	-	√	√	√	√	-	-
Logistics / Distribution / Supply Chain	-	-	-	-	-	√	√	√	-	-
International Trade	√	-	-	-	-	√	-	-	-	-
Diversity										
Optimal mix of skills, expertise and experience	√	√	√	√	√	√	√	√	√	√

* Reappointed as Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

**Ceased to be a Director w.e.f. close of business hours on September 14, 2024.

*** Appointed as an Independent Director w.e.f. September 15, 2024.

Appointed as Whole Time Director w.e.f. April 20, 2024.

@ Ceased to be Non - Executive Director w.e.f. close of business hours on February 10, 2025

Appointed as Non- Executive Director w.e.f. February 11, 2025

In the opinion of the Board, the Independent Directors fulfil the conditions as specified in the applicable laws and Regulations and are independent from the Management.

One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election as provided under the Act, and in terms of the Articles of Association of the Company.

Familiarization Programme for Independent Directors

During the year 2024-25, Mr. Balachandran Dharman and Mr. Ravi Prakash Mehrotra were appointed/ reappointed as Independent Directors on the Board of the Company w.e.f. September 15, 2024 & w.e.f. March 31, 2025 respectively.

At the time of the appointment, the Independent Directors are informed about their role and responsibilities. Presentations on the business and performance of the Company are made at the Board Meetings to familiarize the Independent Directors with the strategy, operations, and functions of the Company and to provide insights into the Company to enable the Independent Directors to be able to take well informed timely decisions and contribute significantly to the Company. Each director of the Company has complete access to any information relating to the Company. Board Members are promptly updated on any change and new development regarding relevant regulatory requirement such as SEBI Regulations, Companies Act etc. The Board members are also made aware about the compliances applicable on the Company by way of quarterly compliance report. Independent Directors have the freedom to interact with the Company's management during the Board/ Committee of Directors meetings or otherwise.

The details of Familiarization Programme in terms of Regulation 25(7) of the SEBI Listing Regulations are uploaded on the website of the Company and can be accessed at https://www.hondaindiapower.com/admin/public/uploads/document/3c9R0V08uR.pdf

Meeting of Independent Directors

During the year, the Independent Directors (IDs) met once on February 10, 2025, without the presence of Non-Independent Directors and members of the Management. At this meeting, the IDs inter alia evaluated the performance of the Non-Independent Directors and the Board as a whole, Chairman of the Board and discussed various aspects relating to the quality, quantity, and timelines of the flow of information between the Company, the Management and the Board.

A certificate from a Company Secretary in Practice as annexed in **Annexure - F** has been taken that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director, by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority.

Particulars of Senior Management

Senior Management of the Company consists of CMD and President & CEO, Whole Time Directors, Sr. Vice President (General Affairs), Vice President (Production), General Manager (Purchase) & Senior Advisors (Japanese Expats).

During the year Mr. Akihiro Sakurai was appointed as Whole Time Director, succeeding Mr. Noboru Sube, who was re- assigned to Japan.

Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulations, with regard to matters concerning the Company and those require a quick and closer review.

During the year, all recommendations of the Committees of the Board have been accepted by the Board.

The Board has established an Audit Committee; Stakeholders Relationship Committee; Nomination and Remuneration Committee; Corporate Social Responsibility Committee; Board Committee on Financial Matters; and Risk Management Committee.

Each of these Committees function within the defined terms of reference and the minutes of the Committee Meetings are put up to the Board for noting at its subsequent meeting. The role and composition of these Committees, including the number of Meetings held during the Financial Year and the attendance therein are provided below:

i. **Audit Committee**

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with high level of transparency, integrity and quality of financial reporting. The Committee is also responsible for evaluation of the internal financial control system, risk management, performance of statutory and internal auditors and internal audit functions.

The composition of the Audit Committee and terms of reference meet with the requirements of Regulation 18 of the SEBI Listing Regulations and provisions of the Act. The terms of reference to the Audit Committee as approved by the Board are available on the Company's website at https://www.hondaindiapower.com/admin/public/uploads/document/fK9vE52pc6.pdf.

The Chief Financial Officer, representatives of Statutory Auditors and of Internal Auditors attend the Meetings of the Audit Committee.

The Company Secretary acts as the Secretary to the Committee.

During the Financial Year 2024-25, the Audit Committee met four times on May 20, 2024, August 06, 2024, November 14, 2024 and February 10, 2025, in compliance with the applicable laws. In each of these Meetings all the Members were present. The Board accepted all the recommendations made by the Audit committee. The composition of the Audit Committee as on March 31, 2025, and the attendance of the Members at the aforesaid Meetings are as under:

Name of the Member	Category	Status	Number of Meetings Attended
Ms. Alka Marezban Bharucha*	ID/NED	Chairperson	2
Mr. Ravi Prakash Mehrotra**	ID/NED	Chairperson	2
Mr. Shigeki Iwama	Non-ID/ED	Member	4
Mr. Nitin Savara	ID/NED	Member	4

*Ceased to be Director w.e.f. close of business hours on September 14, 2024.

**Appointed as Chairperson of the Audit Committee w.e.f. September 15, 2024 & Re-appointed as an Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

ii. Nomination and Remuneration Committee

In terms of Section 178 of the Act and Regulation 19 of SEBI Listing Regulations, the Company has constituted the Nomination and Remuneration Committee. The Committee mainly discharges the duties related to recommendation regarding nomination of Directors and Senior Management to the Board and their remuneration, formulating criteria for determining qualifications, attributes, independence and performance of Directors.

The remuneration paid to the Executive Director is determined to keep in view his/her professional qualification, relevant industry experience, size of the Company and current remuneration standards for such senior executive positions in the relevant industry. Perquisites and retirement benefits are paid according to the Company's policy as applicable to the employees.

The Committee further formulates the criteria for evaluation of the performance of the Independent Directors. In compliance with requirements of the Act, the Constitution, terms of reference, role and scope of Committee are in line with those prescribed by the Act and Regulation 19 of SEBI Listing Regulations and are available on the Company's website at

https://www.hondaindiapower.com/admin/public/uploads/document/fK9vE52pc6.pdf.

The Company Secretary acts as the Secretary to the Committee.

During the Financial Year 2024-25, the Nomination & Remuneration Committee met three times on April 10, 2024, July 24, 2024 & February 10, 2025 in compliance with the applicable laws. The Board accepted all the recommendations made by the Nomination & Remuneration committee. The composition of the Nomination & Remuneration Committee as on March 31, 2025, and the attendance of the Members at the aforesaid meetings are as under:

Name of the Member	Category	Status	No of Meetings attended
Ms. Alka Marezban Bharucha*	ID/NED	Chairperson	2
Ms. Anuradha Dutt**	ID/NED	Chairperson	2
Mr. Nitin Savara#	ID/NED	Member	1
Mr. Ravi Prakash Mehrotra@	ID/NED	Member	3

*Ceased to be a Director w.e.f. close of business hours on September 14,2024.

** Appointed as Chairperson of the Committee w.e.f. September 15, 2024.

#Appointed as member of the Committee w.e.f. September 15, 2024.

@Reappointed as an Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

Performance Evaluation Criteria

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors and other Directors, the Board as a whole and the Committees thereof. The criteria for performance evaluation cover the areas relevant to their functioning as Independent Directors or other Directors, Member of Board or Committees of the Board.

In accordance with the evaluation framework laid down by the Nomination and Remuneration Committee, the Board of Directors undertook the evaluation of its own performance, its Committees and all the individual Directors, including Independent Directors. The evaluation of the performance of each Director was based on level of participation in Meetings, contributions to discussions and exercise of Independent judgment .

The Independent Directors at their Meeting also discussed the performance of the Non-Independent Directors including the Chairman of the Board. Based on the above broad parameters, the effectiveness of the Board and its Committees were found satisfactory.

The performance evaluation of Independent Directors was done by the entire Board of Directors excluding Independent Director being evaluated. Broad parameters for reviewing the performance of Independent Directors amongst other include participation at the Board/ Committee Meetings, understanding their roles and responsibilities and business of the Company, effectiveness of their contribution/ commitment, integrity and maintaining of confidentiality, exercise of independent judgment in the best interest of the Company, adherence to the Code of Conduct for Independent Directors, bringing independent judgement during Board deliberations on Strategy, Performance, Risk Management, etc.

The evaluation of the Performance of the Board was based on Board composition, experience and competencies, understanding of business and competitive environment, quality of discussions at the Board Meetings, time spent by the Board on the Company's goals and strategies.

Details of remuneration paid to Directors for the year 2024-25

A. **Executive Directors**

The details of the remuneration paid to the Whole Time Director(s) during the financial year 2024-25 are as under:

(Amount in Rs.)

Name	Salary	Benefits	Bonus	Stock Options	Pension	Fixed Components	Variable Pay	Service Contract
Mr. Shigeki Iwama	9,00,000	1,33,22,803	-	-	-	1,02,81,000	-	01.04.2023 to 31.03.2026
Mr. Vinay Mittal	1,01,04,108	24,43,828	-	-	-	92,62,090	21,67,872	01.04.2022 to 31.03.2027
Mr. Akihiro Sakurai*	8,52,500	1,08,41,213	-	-	-	59,16,333	-	20.04.2024 to 19.04.2027

*Mr. Akihiro Sakurai appointed as Whole-Time Director w.e.f. April 20, 2024.

The appointment of the CMD and President & CEO and the other Executive Directors are governed by resolutions passed by the Board of Directors and Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. There are no separate provisions for the service of the notice period and payment of severance fee to the Executive Directors and no performance linked incentives are paid to the Directors.

B. **Non-Executive Directors**

The Non-Executive Directors receive sitting fees for attending the Meeting of the Board and Committees thereof.

Details of sitting fees paid during the year 2024-25 for attending the Meetings of Board of Directors and of its Committees were as under:

(Amount in Rs.)

Name of the Director	Board	Audit Committee	Stakeholders Relationship Committee	Risk Management Committee	Nomination and Remuneration Committee	CSR Committee	Independent Directors Meeting	Total
Ms. Alka Marezban Bharucha*	2,40,000	1,20,000	-	-	1,00,000	-	-	4,60,000
Mr. Ravi Prakash Mehrotra**	3,60,000	1,20,000	50,000	1,00,000	1,50,000	50,000	50,000	8,80,000
Ms. Anuradha Dutt	3,00,000	-	-	-	1,00,000	-	50,000	4,50,000
Mr. Nitin Savara	3,60,000	2,40,000	-	-	50,000	-	50,000	7,00,000
Mr. Balachandran Dharman#	1,20,000	-	-	-	-	-	50,000	1,70,000
Ms. Kaori Osakada@	No Sitting Fee was provided pursuant to the letter of waiver of fees received from the Director.							
Mr. Yasuhiro Takabatake##	No Sitting Fee was provided pursuant to the letter of waiver of fees received from the Director.							
Grand Total								26,60,000/-

* Ceased to be a Director w.e.f. close of business hours on September 14, 2024.

**Reappointed as an Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

#Appointed as Independent Director w.e.f. September 15, 2024.

@Ceased to be a Non- Executive Director w.e.f. February 10, 2025.

Appointed as Non - Executive Director w.e.f. February 11, 2025

There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company. Criteria of making payments to non-executive Directors is uploaded on the website of the Company and can be accessed at

https://www.hondaindiapower.com/admin/public/uploads/document/3fy3Ac35l.pdf

iii. Stakeholders Relationship Committee

The remit of the Committee as prescribed under Regulation 20 of the SEBI Listing Regulations and Amendment thereof, is to consider various aspects of interest of the security holders of the Company. The Composition of the Stakeholders Relationship Committee and terms of reference meet with the requirements of Regulation 20 of SEBI Listing Regulations and provisions of the Act.

In compliance with requirements of the Act, the Constitution, terms of reference, role and scope of Committee are in line with those prescribed by the Act and Regulation 20 of SEBI Listing Regulations and are available on the Company's website at

https://www.hondaindiapower.com/admin/public/uploads/document/fK9vE52pc6.pdf.

During the Financial Year 2024-25, the Committee met once on February 10, 2025, in compliance with the applicable laws.

During the year seven (07) Resolutions by Circulation were passed on April 19, 2024, June 20, 2024, August 14, 2024, September 20, 2024, November 11, 2024, December 06, 2024, and January 20, 2025

The composition of the Stakeholders Relationship Committee as on March 31, 2025, and the attendance of the Members at the aforesaid meetings are as under:

Name of the Member	Category	Status	No. of Meetings attended
Mr. Ravi Prakash Mehrotra*	ID/NED	Chairman	1
Mr. Shigeki Iwama	Non-ID/ED	Member	1
Mr. Vinay Mittal	Non-ID/ED	Member	1

* Continued as Chairman of the Committee pursuant to his Reappointment as an Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

The Company Secretary acts as the Secretary of the Committee.

Compliance Officer

Ms. Sunita Ganjoo, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Listing Regulations and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, including the amendments/modifications thereof.

Investor Grievance Redressal

As on March 31, 2025, your Company had 22,706 investors. During the year under review, the status of complaints was as follows:

Number of investor Complaints pending at the beginning of the year	Number of investor complaints received during the year	Number of investor complaints disposed off during the year	Number of investor complaints not redressed upto the satisfaction of shareholders during the year	Number of investor complaints pending at the end of the year
0	5	5	0	0

Corporate Social Responsibility Committee

The Committee discharges the duties stipulated under Section 135 of the Companies Act, 2013 which includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy, as amended from time to time, indicating the activities to be undertaken by the Company as per Schedule VII to the Act; recommendation of the amount of expenditure to be incurred; and monitoring the CSR Policy/CSR Activities of the Company.

A certificate regarding the CSR expenditure for 2024 -2025 was also issued by the Chief Financial Officer of the Company.

During the Financial Year 2024-25, the Committee met once on February 10, 2025, in compliance with the applicable laws.

During the year two (02) Resolutions by Circulation were passed on May 08, 2024 and October 25, 2024.

The composition of the Corporate Social Responsibility Committee as on March 31, 2025, and the attendance of the Members at the aforesaid meetings are as under:

Name of the Member	Category	Status	No. of Meetings attended
Mr. Shigeki Iwama	Non-ID/ED	Chairman	1
Mr. Ravi Prakash Mehrotra*	ID/NED	Member	1
Mr. Vinay Mittal	Non-ID/ED	Member	1

* Continued as Chairman of the Committee pursuant to his Reappointment as an Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

The Company Secretary acts as a Secretary of the Committee.

v. Board Committee on Financial Matters

The terms of reference inter-alia include the opening and closing of bank accounts, investment of surplus funds, authorization to Company's personnel for operation of bank accounts etc.

The Board Committee on Financial Matters met five times during the year 2024-25 on April 20, 2024, April 29, 2024, June 06, 2024, July 23, 2024 & January 30, 2025. Attendance of the Members at the Meetings were as follows:

Name of the Member	Category	Status	No. of Meetings attended
Mr. Shigeki Iwama	Non-ID/ED	Chairman	5
Mr. Vinay Mittal	Non-ID/ED	Member	5
Mr. Akihiro Sakurai*	Non-ID/ED	Member	5

*Appointed as a member w.e.f. April 20, 2024.

The Company Secretary acts as the Secretary to the Committee.

vi. Risk Management Committee

The role and responsibilities of the Committee, inter alia, include (i) formulation of Risk Management Policy (ii) ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; (iii) monitoring and overseeing implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems and periodic review of the same. Further, the Committee shall keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken. The Board of Directors reviews the Risk Management Plan and actions taken thereof, annually. Policy on the Risk Management and detailed terms of reference of the Committee may be accessed at https://www.hondaindiapower.com/admin/public/uploads/document/GSz7W5tme.pdf and https://www.hondaindiapower.com/admin/public/uploads/document/fK9vE52pc6.pdf respectively.

The Committee met twice during the year on July 01, 2024, and on January 22, 2025.

The constitution of the Committee and attendance of the members at the meetings were as follows:

Name of the Member	Category	Status	No. of meetings attended
Mr. Shigeki Iwama	Non-ID/ED	Chairman	2
Mr. Vinay Mittal	Non-ID/ED	Member	2
Mr. Ravi Prakash Mehrotra*	ID/NED	Member	2
Mr. Akihiro Sakurai**	Non-ID/ED	Member	2

* Appointed as a Member of the Committee w.e.f. April 20, 2024 & Reappointed as an Independent Director of the Company for a second term of two years w.e.f. March 31, 2025.

** Appointed as a Member w.e.f. April 20, 2024.

3. Code of Conduct

Guided by the fundamental belief of "Respect for the Individual" and "The Three Joys" ("The Joy of Buying", "The Joy of Selling", "The Joy of Creating"), the Company has laid down Honda Code of Conduct Guidelines that serves as a guide for the business actions in a global, complex and changing environment. The Code sets forth the Company's commitment to the principles of business ethics and transparency in all areas of activity and establishes a set of principles and guidelines for conduct, designed to ensure ethical and responsible behaviour.

Further, in compliance with the SEBI Listing Regulations, the Company's Board has laid down a Code of Conduct for all Board Members and designated Senior Management of the Company. The Code of Conduct is available on the website of the Company at https://www.hondaindiapower.com/admin/public/uploads/document/852tcJ8g4n.pdf. All Board Members and Designated Senior Management personnel have affirmed compliance with the code of conduct. A declaration signed by the Chief Executive Officer to this effect is attached as **Annexure-G** to this Report.

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and further amendments/ modifications thereof, the Company has formulated a Code of Conduct to regulate, monitor, and report trading by insiders to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The Code envisages procedures to be followed and disclosures to be made while dealing with the securities of the Company. In this regard, the Company has established a Structured Digital Database and has captured details of Designated/Connected persons in the database, which also captured details of UPSI being shared by and between the Designated/Connected persons.

During the year under review there has been due compliance with the provisions of the aforementioned Code which is available on website of the Company at https://www.hondaindiapower.com/admin/public/uploads/document/d9D9lbah9x.pdf

4. General Body Meetings

Annual General Meetings: The Annual General Meetings of the Company during the three preceding financial year were held through Audio Visual means.

The date and time of the Annual General Meetings held during the preceding three years and the special resolution(s) passed thereat are as follows:

Year	Date	Time	Location	Special Resolution Passed
2023-24	September 05, 2024	12:00 Noon	Held through Audio Visual means	Appointment of Mr. Balachandran Dharman (DIN: 01831731) as an Independent Director
2022-23	August 10, 2023	12:00 Noon		Nil
2021-22	September 26, 2022	11:00 A.M.		Revision in remuneration of Mr. Vinay Mittal, Whole Time Director (DIN 05242535)

Special Resolution Passed through Postal Ballot: During the financial year 2024-25, the following Special Resolutions were passed by way of Postal Ballot dated 22-05-2024 and 26-03-2025 through e- voting only.

S. No.	Particulars	Date of passing of resolution	Resolution Type
1.	Appointment of Mr. Akihiro Sakurai, (DIN: 10570035) as the Whole Time Director of the Company and the remuneration payable to him.	22-05-2024	Special

2.	Revision in remuneration payable to Mr. Vinay Mittal (DIN 05242535), Whole Time Director of the Company.	26-03-2025	Special
3.	Reappointment of Mr. Ravi Prakash Mehrotra (DIN: 06823899) as an Independent Director of the Company for a second term of two years	26-03-2025	Special

As on the date of this report the Company, is not envisaging to pass any Special Resolution through Postal Ballot.

Postal Ballots are conducted by the Company Secretary and the RTA of the Company in due compliance with the procedure prescribed by law in this regard.

5. Means of Communication

1. The quarterly, half-yearly and annual results of the Company are published in the leading newspapers i.e. Financial Express (English) and Jansatta (Hindi). The Company has sent financial results to the Stock Exchanges within the prescribed time of closure of the meeting in which these were approved by the Board of Directors of the Company.
2. The results of the Company are displayed on the Company's website www.hondaindiapower.com and website of National Stock Exchange of India Ltd. (www.nseindia.com), BSE Limited (www.bseindia.com). The Company's website also displays the official news releases.
3. The Company made no presentation to the institutional investors and Analysts during the Financial Year 2024-25.
4. The Annual Report containing inter-alia, Audited financial statements, Directors' Report, including Management Discussion and Analysis Report, Auditors' Report and other important information is circulated to Members and others entitled thereto. The Annual Report is also displayed on the Company's website at www.hondaindiapower.com .

6. General Shareholders' Information

i. 40th Annual General Meeting

Day, Date and Time	:	Thursday, September 25, 2025, at 10:45 A.M.
Venue	:	Through audio visual means
Financial Year	:	Year ended March 31, 2025
Book Closure:	:	September 19, 2025, to September 25, 2025 (both days inclusive)
Record Date	:	September 18, 2025
Dividend Payment Date	:	October 16, 2025

ii. Financial Year : 01st April to 31st March

iii. Tentative Financial Calendar

The tentative dates for approval of Unaudited/ Audited Financial Results for 2025-26, are as follows:

Quarter ending June 30, 2025	2nd week of August, 2025
Quarter ending September 30, 2025	2nd week of November, 2025
Quarter ending December 31, 2025	2nd week of February, 2026
Quarter ending March 31, 2026	Last week of May, 2026 (Audited)

iv. Dividend Details

Unclaimed dividends up to the Financial Year 1994-95 have been transferred to the General Revenue Account of the Central Government and for the Financial Years 1995-96 to 2016-17 to Investor Education and Protection Fund constituted by the Central Government.

Details of unclaimed dividend as on March 31, 2025, are given hereunder:

Period	Rate (%)	Date of declaration	Date of payment	Unclaimed dividend (Rs.)
2017-18	90	13-08-2018	10-09-2018	6,01,767.00
2018-19	100	07-08-2019	04-09-2019	5,24,480.00
2019-20	125	21-09-2020	19-10-2020	5,40,328.00
2020-21	100	21-09-2021	19-10-2021	5,97,308.00
2021-22	150	26-09-2022	21-10-2022	6,74,984.00
2022-23	165	10-08-2023	05-09-2023	6,28,909.50
2023- 24	175	05-09-2024	26-09-2024	11,77,571.50
2024-2025 (Interim)	100	10-02-2025	10-03-2025	6,08,888.00

Listing on Stock Exchanges and Stock Codes

The names and addresses of the Stock Exchanges on which the equity shares of the Company are listed, and the respective stock codes are as under:

Name and Address of the Stock Exchange	Stock Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Fort, Mumbai – 400 001.	522064
The National Stock Exchange of India Ltd. (NSE) 5th Floor, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	HONDAPOWER

Annual Listing fees for the year 2025 - 26 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

vi. Registrar and Share Transfer Agents (RTA)

The Company has appointed M/s Mas Services Ltd. as its Registrar and Share Transfer Agent (RTA). Request for share transfer, transmission or transposition etc. and other communications regarding shares, dividends, change in address, etc. may be addressed to:

Mr. Shravan Mangla

Mas Services Limited

Unit: Honda India Power Products Limited
T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110020
Ph:- 011-26387281/82/83, Fax:- 011-26387384
email:- investor@masserv.com, website : www.masserv.com

vii. Investors' Service and Share Transfer System

The Company has a system of attending to and redressing all investors' related grievances/correspondences within a period of 07 to 15 days from the date of receipt of the same. The investors can personally contact or send their grievance/correspondence either to RTA at their address mentioned above or to the Secretarial Department of the Company at the following address:

Honda India Power Products Limited

Secretarial and Legal Department,
Plot No. 5, Sector 41 (Kasna), Greater Noida Industrial Development Area, Distt. Gautam Budh Nagar, U.P. -201310.
Phone Nos: 0120-2590211, 2341055-59; Email: ho.legal@hipp.co.in

Distribution of shareholding as on March 31, 2025

No. of Shareholders	% to Total shareholders	Shareholding of Nominal Value of Rs	No. of Shares	Amount in Rs	% to Total shares/ amount
22341	98.392	1 to 5000	776814	7768140	7.659
208	0.916	5001 to 10000	156852	1568520	1.546
77	0.339	10001 to 20000	113036	1130360	1.114
32	0.141	20001 to 30000	79645	796450	0.785
10	0.044	30001 to 40000	34928	349280	0.344
10	0.044	40001 to 50000	47035	470350	0.464
10	0.044	50001 to 100000	70674	706740	0.697
18	0.079	100001 and above	8864087	88640870	87.391
22706	**100.000**	**TOTAL**	**10143071**	**101430710**	**100.000**

viii. Pattern of shareholding as on March 31, 2025

Categories	No. of Shares	Shareholding (%)
Promoters	67,62,000	66.67
Mutual Funds	18,42,790	18.17
Foreign Portfolio Investors	1,38,915	1.37
Financial Institutions and Banks	848	0.01
Key Managerial Person	1	0.00
Individuals	12,10,730	11.94
NBFC Registered with RBI	0	0.00
Bodies Corporate	51,113	0.50
NRIs, FIIs, OCBs etc.	70471	0.69
IEPF	61273	0.60
Clearing Members	4,930	0.05
Trusts	0	0.00
Total	**1,01,43,071**	**100.00**

ix. Dematerialization of shares and liquidity

99.22% of total equity capital is held in dematerialized form with NSDL and CDSL as on March 31, 2025. During the year, (i.e., from 01-04-2024 to 31-03-2025) 168 share certificates involving 7755 shares were dematerialized (including 83 share certificates consisting of 3177 shares transferred to IEPF in Demat mode for physical cases) representing 0.03% of the total share capital of the Company.

Demat ISIN in NSDL and CDSL: INE634A01018

x. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2025, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

xi. During the period under review, the Company has not dealt in any commodity hedging activities and there are no Commodity price risks or foreign exchange risk undertaken by the Company.

xii. Plant location:

Plot No. 5, Sector 41 (Kasna), Greater Noida Industrial Development Area,
Distt. Gautam Budh Nagar, U.P. -201310.

7. Disclosures

(i) Related parties and transactions with them as required under Accounting Standard 18 and Regulation 23 of SEBI Listing Regulations, are furnished under Note No. 30 of 'Notes to Financial Statement' for the year ended March 31, 2025.

(ii) The above transactions have no potential conflict with the interest of the Company.

(iii) There has not been any non-compliance, penalties, strictures imposed on the Company by Stock Exchange or any other statutory authority, on any matter related to capital markets, during the last three years.

However, the Company did receive an administrative warning form SEBI for failing to hold a meeting of the Nomination & Remuneration Committee during the Financial year 2023 – 2024.

(iv) The Company promotes ethical behavior in all its business activities and has a whistle blower policy /vigil mechanism, in the name of Vigil Mechanism / Business Ethics Proposal Line (BEPL), in place. All the employees of the Company/other stakeholders i.e., dealers, suppliers etc., through this mechanism are free to report violation of laws, rules, regulations, or unethical conduct of any employee of the Company directly to Chairman of Audit Committee. No personnel have been denied access to the Committee.

(v) The Company has complied with all mandatory requirements as stipulated in SEBI Listing Regulations.

(vi) The Company does not have any Subsidiary Company.

(vii) The policy framed for dealing with Related Party Transactions is displayed on the website of the Company at https://www.hondaindiapower.com/admin/public/uploads/document/Fzb5y82w4l.pdf

(viii) The Company, during the Financial Year 2024-25, has not issued any debt instruments or has not taken Fixed Deposits or has not mobilized funds under any scheme or proposal. Hence, no credit ratings were obtained.

ix) During the Financial Year 2024-25, no funds were raised through preferential allotment or by allotment of securities to Qualified Institutional Placements as specified under Regulation 32(7A).

x) During the year, the Board has accepted all such proposals as recommended by the Audit Committee of the Board.

xi) During the Financial Year 2024-25, the Company has paid a total fee of Rs. 58 lakhs to M/s B S R and Co. LLP, Chartered Accountants, statutory auditors of the Company regarding the audit fees and other services.

xii) The Company has not granted any type of loan and advance to any Company/Firm in which Directors are interested.

xiii) During the Financial Year 2024-25, no complaint has been filed by women employees of the Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

xiv) During the Financial Year 2024-25, the trading of Securities was not suspended.

8. The status of adoption of the non-mandatory requirements as prescribed in Regulation 27(1) of SEBI Listing Regulations, is as under:

a. **Audit Qualification**

The Company is in the regime of unmodified opinions on financial statements.

b. **Reporting of Internal Auditor**

The Internal Auditors, on a quarterly basis, report directly to the Audit Committee of the Company.

9. The Company is in compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations.

10. Quarterly Compliance Report

The Company has been submitting the Compliance Report on Corporate Governance on a quarterly basis to the Stock Exchanges within the prescribed time. It is also regularly uploaded on the website of the Company.

11. Compliance with Code of Conduct

A declaration with regard to Code of Conduct for the year ended March 31, 2025, issued by the CMD and President & CEO of the Company is annexed at **Annexure -G.**

12. CEO/CFO Certification

In terms of Regulation 17(8) of the SEBI Listing Regulations, the Board of Directors have reviewed the certificate submitted by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company certifying various covenants about financial/ cash flow statements, internal controls, financial reporting, etc. The certificate is annexed as **Annexure– H**.

13. Compliance Certificate of Practicing Company Secretary

The Company has obtained a Certificate from Practicing Company Secretary regarding compliance with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations. The Certificate is annexed as **Annexure-I.**

Annexure-F to Board's Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Honda India Power Products Limited
409, DLF Tower-B, Jasola Commercial Complex,
New Delhi-110025

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Honda India Power Products Limited (CIN L40103DL2004PLC203950) having Registered Office at 409, DLF Tower-B, Jasola Commercial Complex, New Delhi-110025 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of the Director	DIN	Date of appointment	Re-appointment, if any
1	Mr. Ravi Prakash Mehrotra	06823899	31/03/2020	Re-appointed as Independent Director w.e.f. 31-03-2025
2	Ms. Anuradha Dutt	00145124	01/04/2023	-
3	Mr. Nitin Savara	09398370	01/03/2024	-
4	Mr. Balachandran Dharman	01831731	15/09/2024	-
5	Mr. Shigeki Iwama	10075458	01/04/2023	-
6	Mr. Vinay Mittal	05242535	01/04/2012	Re-appointed as Whole Time Director w.e.f. 01/04/2017 and 01/04/2022
7	Mr. Akihiro Sakurai	10570035	20/04/2024	-
8	Mr. Yashuhiro Takabatake	10909958	11/02/2025	-

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion based on my 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 Saryu Munjal & Associates,
Company Secretaries
Sd/-
Saryu Munjal
(Proprietor)
M. No. A34161; C.P. No.: 23014
Peer Review No.: 5633/2024
UDIN: A0341000325958

Date: 13-05-2025
Place: **Karnal**

Annexure-G to Board's Report

CERTIFICATE AND DECLARATION

I, Shigeki Iwama, in my capacity as CMD and President & CEO of Honda India Power Products Limited, do hereby confirm and declare that as stipulated under Regulation 34(3) read with Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the best of my knowledge and belief, Members of the Board of Directors and Senior Management personnel of the Company have affirmed compliance, as on March 31, 2025, with the provisions of Code of Conduct as adopted by the Company.

This declaration has been issued on the basis of acknowledgement and confirmation, with respect to the compliance with the provisions of the Code of Conduct of the Company, received from respective Members of the Board of Directors and Senior Management.

For Honda India Power Products Limited
Sd/-
Shigeki Iwama
CMD and President & CEO

Date: May 08, 2025
Place: Greater Noida

Annexure-H to Board's Report

CERTIFICATE

We, Shigeki Iwama, CMD and President & CEO and Vinay Mittal, Whole Time Director and Chief Financial Officer of Honda India Power Products Limited hereby declare and confirm-

A. That we have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   2. these statements together present a true and fair view of the Company's affairs and are following existing Accounting Standards, applicable laws and regulations.

B. That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.

C. That we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. That we have indicated to the Auditors and the Audit Committee:
   1. significant changes in internal control over financial reporting during the year.
   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

This certificate has been issued in compliance with the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Honda India Power Products Limited
Sd/-
Shigeki Iwama
CMD and President & CEO

Sd/-
Vinay Mittal
Whole Time Director & CFO

May 19, 2025
Greater Noida

Annexure-I to Board's Report

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Honda India Power Products Limited

- I have examined the compliance of conditions of Corporate Governance by Honda India Power Products Limited ("the Company") for the year ended March 31, 2025 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure 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 the opinion on the financial statements of the Company.
- In my opinion, and to the best of my information and according to the explanations and representations made to me by the Company in connection with the said report, I certify that during the year ended March 31, 2025, the Company has complied with all the conditions of Corporate Governance as stipulated in Listing Regulations.
- I further state that such compliance is neither an assurance as to the future viability of the Company nor its efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR SARYU MUNJAL & ASSOCIATES
Company Secretaries
Sd/-
Saryu Munjal
Proprietor
M. No. A34161; C.P. No. 23014
UDIN: A034161G000341842
Peer Review No.: 5633/2024

Date: May 14, 2025
Place: Karnal

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Regulation 34(2)(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015]

INDEX

S. No.	Reference	Particulars
1	Section A	General disclosures
2	Section B	Management and process disclosures
3	Section C	Principle-wise performance disclosure

PRINCIPLES

S. No.	Particulars
Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe.
Principle 3	Businesses should respect and promote the wellbeing of all employees, including those in their value chains.
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Businesses should respect and make efforts to protect and restore the environment.
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
Principle 8	Businesses should promote inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN)	L40103DL2004PLC203950
2	Name	Honda India Power Products Limited (HIPP/Company)
3	Year of incorporation	19-09-1985
4	Registered office address	409, DLF Tower B, Jasola Commercial Complex, New Delhi-110025
5	Corporate address	Plot No.5, Sector-41 (Kasna), Greater Noida Industrial Development Authority, Distt. Gautam Budh Nagar, U.P.- 201310
6	E-mail	ho.legal@hipp.co.in
7	Telephone	0120-2590211
8	Website	www.hondaindiapower.com
9	Financial Year for which reporting is being done	2024-25
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited, National Stock Exchange of India Limited
11	Paid-up Capital	10,14,30,710
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Sunita Ganjoo, 0120-2590211, ho.legal@hipp.co.in
13	Reporting boundary	Standalone Basis
14	Whether the company has undertaken reasonable assurance of the BRSR core	No
15	Name of Assurance Provider	Not Applicable
16	Type of Assurance obtained	Not Applicable

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing / sale of Portable Generators and General Purpose Engines, Water Pumps, Tillers etc.	88.55%

18. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacture of power generators (except battery charging alternators for internal combustion engines), motor generator sets (except turbine generator set units)	27101	52%
2	Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	28110	13%
3	Manufacture of other pumps, compressors, taps and valves etc.	28132	17%
4	Manufacture of ploughs, manure spreaders, seeders, harrows and similar agricultural machinery for soil preparation, planting or fertilizing, harvesting or threshing machinery	28212	1%

III. Operations

19. **Number of locations where plants and/or operations/offices are situated:**

Location	Number of plants	Number of offices	Total
National	1	15	16
International	0	0	0

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

a. Number of locations

Locations	Number
National (No. of States)	36 (including Union Territories)
International (No. of Countries)	31

Contribution of exports as a percentage of the total turnover of the Company: 20.80%

c. Brief of types of customers of the Company: Two major categories of the customers served by the Company are:
- Dealers: Dealing directly with the Company and selling to the distributors and end customers.
- Institutional Customers: These include all Government agencies / Government bodies and other non-government entities.

IV. Employees

21. Details as at the end of Financial Year: 2024-25

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	397	372	94%	25	6%
2.	Other than Permanent (E)	104	104	100%	0	0%
3.	**Total employees (D + E)**	501	476	95%	25	5%
WORKERS						
4.	Permanent (F)	338	321	95%	17	5%
5.	Other than Permanent (G)	264	264	100%	0	0%
6.	**Total workers (F + G)**	602	585	97%	17	3%

b. Differently abled Employees and workers:

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

22. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8*	1	12.5%
Key Management Personnel	4	1	25%

*Board of Directors include 3 KMPs.

23. Turnover rate for permanent employees and workers

Trend for the past three years:

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6%	20%	7%	7%	12%	7%	9%	28%	10%
Permanent Workers	.32%	0%	.32%	1%	0%	1%	1%	0%	1%

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

24. **(a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of 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	Honda Motor Co. Ltd., Japan	Holding	0%	No

VI. CSR Details

25. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 : Yes
    (ii) Turnover (in Rs.) : 79,423 lakh
    (iii) Net worth (in Rs.) : 86,353lakh

A detailed report on CSR projects undertaken during the Financial Year 2024-25 has been provided in '**Annexure - E**' to the Board's Report.

VII. Transparency and Disclosures Compliances

26. **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 Mech-anism in Place (Yes/No/ NA)	(If Yes, then provide web-link for grievance redress policy)	FY (2024-25)			PY (2023-24)			(If NA, then provide the reason)
			Number of com-plaints filed during the year	Number of com-plaints pending resolu-tion at close of the year	Remarks	Number of com-plaints filed during the year	Number of com-plaints pending resolu-tion at close of the year	Remarks	
Communities	No	-	0	0	No complaints were filled by communities in any of the principle.	0	0	No complaints were filled by communities in any of the principles.	
Investors (other than shareholders)	No	-	0	0	No investors are there other than shareholders of the Company.	0	0	No investors are there other than shareholders of the Company.	
Shareholders	Yes	https://www.hondaindiapower.com/investors/investors-contact	0	0	No complaints were filled by shareholders in any of the principle.	0	0	No complaints were filled by shareholders in any of the principles.	
Employees and workers	Yes	https://www.hondaindiapower.com/admin/public/uploads/document/fE65sfbg4p.pdf	0	0	No complaints were filled by employees and workers in any of the principle.	0	0	No complaints were filled by employees and workers in any of the principles.	
Customers	Yes	https://hondaindiapower. com	0	0	No complaints were filled by customers in any of the principle.	0	0	No complaints were filled by customers in any of the principles.	
Value Chain Partners	Yes	https://www.hondaindiapower.com/admin/public/uploads/document/fE65sfbg4p.pdf	0	0	No complaints were filled by the value chain partners in any of the principle.	0	0	No complaints were filled by the value chain partners in any of the principles.	

27. **Overview of the Company's material responsible business conduct issues.**

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to our business, rationale for identifying the same, approach to adapt or mitigate the risk alongwith its financial implications, are as follows

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product Related	Opportunity	The Company's products comply with all applicable environmental and pollution control standards in every market where they are sold or used. This compliance is ensured through rigorous quality control measures supported by state of art in-house equipment and technology.	NA	Positive
2	Process Related	Risk	The Company's manufacturing process, developed with technical expertise and ongoing support from Honda Motor Co., Ltd., Japan, is among the safest, most efficient and technologically advanced in the industry. This highly specialized process creates a significant entry barrier, making it difficult for new competitors to replicate or match same standards of production. However, the Company faces a continuing challenge from the dynamic and evolving landscape of global environmental regulations. Ensuring compliance demands significant investment in infrastructure, continuous monitoring of legal developments and consistent awareness building among all stakeholders involved in process.	Your Company has technical collaboration agreement with Honda Motor Co. Ltd., Japan by virtue of which the Company has the reach to the best available processes.	Negative
3	Society Related	Risk	The Company operates in an environment where natural resources such as water and air are utilized in its operations. To ensure sustainable use, the Company has established the necessary infrastructure to minimize resource consumption and strives to restore natural resources wherever possible. Furthermore, the Company fully complies with all applicable laws and regulations related to waste management, as prescribed by relevant regulatory authorities from time to time.	Your Company has a well laid out and robust compliance organization whereby with the help of third parties and in-house expertise, these are being taken care of.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Detail of the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes											
1.	a.	Entity's policy/policies covering each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Board's approval of the policies: (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web Link of the Policies	The policies can be accessed via the link https://www.hondaindiapower.com/investors/policies and some internal policies applicable to employees are available on Company's intranet.								
2.	Whether the policies are translated into procedures. (Yes / No)		Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to value chain partners? (Yes/No)		Y	Y	Y	N	Y	Y	Y	Y	Y
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 the entity and mapped to each principle.		The Company policies incorporate Indian and global best practices. The Company is an ISO 9001 Company and also certified with ISO 14001 and is compliant with BIS Standards.								

5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is working to minimize the impact of its activities on the environment by reducing carbon emission as per the targets below: **2024-25**: 29.77 tons **2025-26**: 42.74 tons
6.	Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.	In the FY 2024–25, the Company achieved a reduction of 35.98 tons, surpassing the estimated target of 29.77 tons
Governance, leadership and oversight		
7.	**Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.** The basic principle of the Company being a Company that society wants to exist, guides our operations beyond legal compliance, driving us to produce and sell environmentally friendly products that meet all regulatory standards.Our production and distribution processes follow strict waste management protocols, minimize natural resource use, and support resource restoration wherever possible, always operating in alignment with our core principle of sustainability and social responsibility.	
8.	Highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Yes, the Company has formed a Steering Committee to strategize the business and the way it must be conducted. The Committee consists of Senior Management Team including all the Executive Directors of the Company as its Members.
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	
10.	Details of Review of NGRBCs by the Company:	

Subject for Review P1	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								Frequency (Annually/ Half yearly/ Quarterly/ Anyother – please specify)								
	P2	P3	P4	P5	P6	P7	P8	P 9	P1	P2	P3	P4	P5	P6	P7	P8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Monthly Review								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	The Company complies with all statutory requirements to the extent applicable andare being reviewed monthly								

11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P 9
		No. The Internal Auditors, Secretarial Auditors, and ISO Auditors review the implementation of the policies periodically. However, no dedicated audit has been conducted by external auditors specifically for this purpose.								
12.	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Not applicable									

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 programs on any of the principles during the Financial Year:

Segment	Total number of training and awareness programs held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	4	The Board of Directors & the KMP's are familiarized inter alia on the following: 1. Business performance updates 2. Business & sustainability strategy 3. Risk Management plan 4. Governance, compliance, and regulatory updates	100%
Key Managerial Personnel	4	1. Honda Code of Conduct 2. Vigil Mechanism/Business Ethics Proposal Line/Anti-bribery 3. POSH	100%
Employees other than BOD and KMPs	24	Comprehensive training programs are designed to cover all critical competencies outlined in the Company's Competency Framework, ensuring employees are equipped with the necessary skills, knowledge, and behaviours required for excellence in their roles. These programs also encompass in-depth modules on compliance policies, the company's Code of Conduct, and ethical workplace practices.	75%
Workers	4	Behavioural aspects covering open communication, teamwork and change management	70%

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the Company or by Directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the Financial Year on the basis of materiality as specified in Regulation 30 of SEBI (LODR) Regulations, 2015 and as disclosed on the Company's website:**

   No fines or other kinds of penalties were levied during the reporting period which were material in nature.

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.**

   Not applicable

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

   The Company has anti-corruption and anti-bribery policy, which explains the dos and don'ts with respect to these policies and the laws as applicable. Further, the Company has a process in place to regularly update all concerned with respect to these policies. The policy is available on the intranet/website of the Company and can be assessed at

   https://www.hondaindiapower.com/admin/public/uploads/document/rs4jy6hSkw.pdf

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

   NIL

6. **Details of complaints regarding conflict of interest**

	FY (2024-25)		PY (2023-24)	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No such complaint was receivedduring the FY 24-25	0	No such complaint was received during the FY 23-24
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	No such complaint was receivedduring the FY 24-25	0	No such complaint was received during the FY 23-24

7. **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

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured):**

	FY 2024-25 (Current Financial Year)	**PY 2023-24 (Previous Financial Year)**
Number of days of accounts payables	55	50

9. **Openness 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 (2024-25)**	**PY (2023-24)**
Concentration of Purchases	a.i) Purchases from trading houses	158,417,521.37	204,120,000
	ii) Total purchases	3,724,154,053.74	5,245,630,000
	iii) Purchases from trading houses as % of total purchases	4.25%	3.89%
	b. Number of trading houses where purchases are made	14	14
	c.i) Purchases from top 10 trading houses	158,302,183.57	204,420,000
	ii) Total purchases from trading houses	158,417,521.37	204,120,000
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	99.93%	100%
Parameter	**Metrics**	**FY (2024-25)**	**PY (2023-24)**
Concentration of Sales	a.i) Sales to dealer / distributors	6,955,558,764	8,835,771,971
	ii) Total Sales	7,942,257,000	9,890,662,000
	iii) Sales to dealer / distributors as % of total sales	88%	89%
	b. Number of dealers / distributors to whom sales are made	527	570
	c.i) Sales to top 10 dealers / distributors	2,282,876,782	4,585,991,322
	ii) Total Sales to dealer / distributors	6,955,558,764	8,835,771,971
	iii) Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	33%	52%

Parameter	Metrics	FY (2024-25)	PY (2023-24)
Share of RPTs in	a.i) Purchases (Purchases with related parties)	8,817,140,000	1,47,60,39,938
	ii) Total Purchases	4,307,756,000	5,80,15,59,000
	iii) Purchases (Purchases with related parties as % of Total Purchases)	20%	25%
	b.i) Sales (Sales to related parties)	1,857,187,000	3,990,184,032
	ii) Total Sales	7,942,257,000	9,890,662,000
	iii) Sales (Sales to related parties as % of Total Sales)	23%	40%
	c.i) Loans & advances given to related parties	0	0
	ii) Total loans & advances	0	0
	iii) Loans & advances given to related parties as % of Total loans & advances	-	-
	d.i) Investments in related parties	0	0
	ii) Total Investments made	0	0
	iii) Investments in related parties as % of Total Investments made	-	-

Leadership Indicators

1. **Awareness programs conducted for value chain partners on any of the principles during the Financial Year:**

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
2	**Sustainability** (safety, ESG, CO2, compliance & risk management)	34.91%

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

   Yes. The Code of Conduct for Board and Senior Management team members has been adopted by the Board. If a Director has or could have such an interest, they must disclose it to the Board and refrain from participating in discussions on, casting votes for, or otherwise influencing decisions about such matters.

   Each year, the Board members and management certify their compliance with the Code of Conduct. Please refer to the link for the policy https://www.hondaindiapower.com/admin/public/uploads/document/852tcJ8g4n.pdf

   The Company receives declarations from its Directors, disclosing details of related parties/parties in which they have interest, which are placed before the Board of Directors at its meetings. These disclosures help the Company and the Board of Directors in evaluating the possibility of any present or potential conflict of interest.

PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R & D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R & D and capex investments made by the entity, respectively.**

	FY (2024-25)	PY (2023-24)	Details of improvements in environmental and social impacts
R&D	0.00%	0.00%	To make the products and processes meet the regulatory requirement and to be environment friendly, the Company has entered into an agreement with the Honda Motor Co. Ltd., Japan (HM) for providing the latest globally recognized technologies to the Company. Additionally, under the agreement, the Company's workforce gets training in adopting the processes and technologies in the best possible manner. The Company, in lieu thereof, pays a certain percentage of the sales value in the form of royalty to HM. Since the Company pays royalty for products/processes/ updated technology and usage of brand name, value of the percentage against the environment and social impact cannot be ascertained.
Capex	0.00%	0.00%	NA

2. **a. Does the entity have procedures in place for sustainable sourcing? :** Yes.

   b. If yes, what percentage of inputs were sourced sustainably? :88.24% inputs were sourced sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for Plastics (including packaging), E-Waste, Hazardous Waste, Other Waste.**

   The Company is following e-waste management rules (through its distribution channel partners) as well as Plastic Waste Management rules & hazardous waste management rules ensuring compliance with legal requirements which meets all necessary requirement of legal standard for waste management.

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

   Yes, Extended Producer Responsibility (EPR) is applicable to the Company's activities. Plastic waste generated in the market from product packaging is managed in accordance with Plastic Waste Management Rules. The Company is required to collect 100% of the plastic packaging waste as per the EPR plan submitted to the Pollution Control Board.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products:**

   No such assessment was made during the reporting period.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production:**

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2024-25 Current Financial Year*	FY 2023-24 Previous Financial Year
Aluminum	29.33 MT/ 1890 MT = 1.55%	NIL

* The activity started in the FY 2024-25.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-2025 Current Financial Year			PY 2023-2024 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	198MT	-	-	177 MT	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   During the period under review, the Company did not directly reclaim any product or its packaging material.

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	% of employees covered by										
	Total (A)	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	372	372	100%	372	100%	0	0	306	82%	0	0%
Female	25	25	100%	25	100%	16	64%	0	0	4	16%
Other	0	0	0%	0	0%	0	0	0	0	0	0%
Total	397	397	100%	397	100%	16	4%	306	77%	4	1%
Other than permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

Well-being of employees, not directly hired by the Company, is secured under the clause in the agreement entered between the Company and the agency providing the manpower.

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	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	321	321	100%	321	100%	0	0	321	100%	0	0%
Female	17	17	100%	17	100%	15	88%	-	-	6	60%
Other	0	0	0%	0	0%	0	0	-	-	0	0%
Total	338	338	100%	338	100%	15	4%	321	95%	6	60%
Other than permanent workers											
Male	172	172	100%	172	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Other						-	-	-	-	-	-
Total	172	172	100%	172	100%	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024-25	PY 2023-24
i) Cost incurred on wellbeing measures (well-being measures means well-being of employees and workers (including male, female, permanentand other than permanent employees and workers)	918	965
ii) Total revenue of the company	79,423	98,907
iii) Cost incurred on wellbeing measures as a % of total revenue of the company	1.16%	0.98%

2. Details of retirement benefit

Benefits	FY (2024 25)			PY (2023-24)		
	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 % oftotal workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	N/A	100%	100%	N/A
ESI	-	-	-	16.10%	29%	Yes
Superannuation/ NPS	43%	N/A	N/A	36%	N/A	N/A

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? - If so, provide a web-link to the policy.

The Company is committed to ensure that existing employees, job applicants and workers are treated fairly in an environment which is free from any form of discrimination. We are an equal opportunity workplace with gender neutral compensation policies and norms. Our diversity and equal opportunity policy can be assessed at https://www.hondaindiapower.com/admin/public/uploads/document/864lgm2233.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
Other	0	0	0	0
Total	100%	100%	100%	100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers?**

If yes, details of the mechanism in brief.	Yes/ No	(If yes, then give details of the mechanism in brief)
Permanent Workers	Yes	Grievance redressal mechanism is available at all locations of the Company. Grievances can be raised through dedicated e-mail or through drop boxes available at Factory and Head Office and all the grievances that are received through different platforms are directed to the Business Ethics Committee and resolved as per the laid down procedures.
Other than Permanent Workers		
Permanent Employees		
Other than Permanent Employees		

7. **Membership of employees and worker in association (s) or Unions recognized by the listed entity:**

The Company does not have any trade union.

8. **Details of training given to employees and workers:**

Category	FY (2024-25)					PY (2023-24)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/ A)	No.(C)	% (C /A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	372	292	78%	143	38%	378	281	74%	321	80%
Female	25	20	80%	15	60%	25	16	64%	22	88%
Other	0	-	-	-	-	0	-	-	-	-
Total	397	302	76%	158	40%	403	297	74%	343	85%
Workers										
Male	321	300	94%	123	38%	322	55	17%	322	100%
Female	17	17	100%	12	70%	17	0	0%	17	100%
Other	0	-	-	-	-	0	-	-	-	-
Total	338	317	94%	135	40%	339	55	16%	339	100%

9. **Details of performance and career development reviews of employees and worker:**

Category	FY (2024-25)			PY (2023-24)		
	Total (A)	No.(B)	% (B/ A)	Total (D)	No.(E)	% (E / D)
Employees						
Male	372	351	94%	378	355	94%
Female	25	22	88%	25	22	88%
Other	-	-	-	-	-	-
Total	397	373	94%	403	377	94%
Workers						
Male	321	321	100%	322	322	100%
Female	17	17	100%	17	17	100%
Other	-	-	-	-	-	-
Total	338	338	100%	339	339	100%

10. **Health and safety management system:**

- **Implementation of occupational health and safety management system by the Company along with the coverage.**

  Yes, occupational health and safety management system has been implemented by the entity. It covers the entire operations including manufacturing facilities and offices. Systems have been implemented in accordance with the applicable standards.

- **Processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the Company.**

  The Company has in place systematic risk management process to identify and control all the hazards in manufacturing and offices. Moreover, it has a well-defined Risk Management framework that is designed to enable risks identification, assessment, mitigation, monitoring and reporting and is the key driver for controlling the risk of EHS in business. The risk management process encompasses a spectrum of strategic, operational, financial and compliance risks that your Company is exposed to.

- **Whether the entity have processes for workers to report the work-related hazards and to remove themselves from such risks?**

  The Company has placed suggestion boxes at various places in the factory for workers to report any issue including work related hazard. An Occupational Safety & Health Committee has also been set up which takes care of any type of hazards by way of conducting audits at specified intervals and to take counter measures against any observation in this regard.

- **Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

  Yes, medical Center and first aid facilities are available for both employees and workers with a qualified medical professional and the nursing staff.

  Beside this all the employees are covered under Group Accident Policy taken by the Company with well recognized insurer.

  The Company conducts annual health Check-up of employees and workers. To promote health and well-being of its workers and employees, access to various wellness workshops, in addition to annual medical check-up, is provided.

11. Details of safety related incidents:

Safety Incident/Number	Category	FY (2024-25)	PY (2023- 24)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence works related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

Occupational health and safety are a priority for the Company and everyone at the Company is responsible for it. As a responsible employer, organization- wide Health and safety policies and procedures are in place.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Your Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through supporting behaviours. As a first barrier against any unsafe situation, all the employees are given training at regular intervals, this is further strengthened by providing safety gears to the workers working at shopfloors. The Company has in place a full-fledged nursing Center in case of any untoward incident, on site ambulance and a contract for providing emergency medical services, if required, with a nearby reputed Hospital. The Company regularly provides annual preventive health checks for all its employees.

13. Number of Complaints on the following made by employees and workers:

	FY (2024-25)			PY (2023-24)		
	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 and Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. 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 and safety practices and working conditions.

No action was required to be taken as the Company did not have any Loss Time Injuries during the reporting period. Effectiveness of corrective actions deployment is being checked during safety Audits.

Leadership Indicators

1. Details of life insurance or any compensatory package extended by the Company in the event of death of employees and workers:

The Company provides life insurance benefit to its employees/workers wherein in case of death, life insurance benefit is provided to the family/nominee.

2. The measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company incorporates compliances clauses in all contracts to mandate statutory adherence. Further due diligence is performed while onboarding the partners to evaluate their compliances capabilities.

3. **The number of employees / workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	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 (2024-25)	PY (2023-24)	FY (2024-25)	PY (2023-24)
Employees	0	0	0	0
Workers	0	0	0	0

4. **The Company's transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

   The Company currently does not provide any transition assistance programs.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	

   The Company is dedicated to developing the supply chain that co-exist and co-prosper with local society by actively promoting sustainable initiatives.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not required.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all their stakeholders.

Essential Indicators

1. **The processes followed for identifying key stakeholder groups of the Company.**

   Key Stakeholders are identified based on the influence they have on the Company and its strategic decision making. Subsequent to this, the identified lot is grouped based on the needs, the nature of influence, the role in the overall corporate structure. Thus, the Company engages with them to develop strategies to manage and mitigate any potential risks or negative impacts.

2. **Stakeholder groups identified as key for the entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, others)	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	1. Business plan communication 2. Senior leadership engagements 3. Wellness sessions 4. Training programs and onboarding sessions 5. Internal communication 6. Engagement Survey	Quarterly Need Based Regularly Regularly Regularly Annually	Business and performance updates Developing high level of management competence. Physical and mental wellbeing sessions New skills, learning and development. Exchange of Information and Activities undertaken Belongingness to the Company
Shareholders	No	- Annual General Meeting - E-Mail - Newspaper publications	Quarterly/ Annual	Company's financial performance and Corporate Governance etc.
Suppliers/ Service Provider	No	- E-mail - Supplier convention - Meeting with concerned functions	As and when required/ Annual	Process refresh, engagement
Government Agencies/ Tax Authorities	No	- Press Releases, - Quarterly Results, - Annual Reports, - Sustainability Reports, - Stock Exchange filings	As stipulated	Reporting requirements, Statutory Compliances and resolution of issues
Dealers/ Distributors	No	- Email, sms, advertisement, website, social media, physical meetings, dealer convention	Regular	Customer satisfaction
Communities	Yes	Community interactions	Regular	CSR interventions

Leadership Indicators

1. **The processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is such feedback from such consultations provided to the Board.**

   The Company has set up various committees on economic and ESG governance and performance monitoring. These committees are the CSR Committee, Risk Management Committee comprising of Independent Director as a member of the Committee, Stakeholder's Relationship Committee chaired by the Independent Director, Investor cell etc.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. Based on the discussion with local Communities and local Administration, the Company plans CSR interventions. A periodic inspection/ progress vis-à- vis the plan is conducted to undertake further activities. Based on periodic communication with the Works Committee, comprising of Members from Shop Floor area, the Company devise the procedures and policies for upkeeping of facilities meant for them.

3. **Instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company did not identify any stakeholders group as vulnerable/marginalized.

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):**

Category	FY (2024-25)			PY (2023-24)		
	Total (A)	No. of employees/ workers covered (B)	% (B/ A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	397	397	100%	403	403	100%
Other than permanent	104	104	100%	109	109	100%
Total Employees	589	589	100%	512	512	100%
Workers						
Permanent	338	338	100%	339	339	100%
Other than permanent	264	264	100%	297	297	100%
Total Workers	602	602	100%	636	636	100%

2. **Details of minimum wages paid to employees and workers:**

Category	FY (2024-25)					PY (2023-24)				
	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	372			372	100%	378			378	100%
Female	25			25	100%	25			25	100%
Other	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	172			172	100%	109			109	100%
Female	-	-	-	-						
Other	-			-						
Workers										
Permanent										
Male	321	321	100%	321	100%	322			322	100%
Female	17	17	100%	17	100%	17			17	100%
Other										
Other than Permanent										
Male	263									
Female	1									
Other	-			-						

3. **Details of remuneration/salary/wages**

a. **Median remuneration/wages (Rs.)**

	Male		Female		Other	
	Number	Median remuneration/ salary/ wages of respective category (monthly)	Number	Median remuneration/ salary/wages of respective category (monthly)	Number	Median remuneration/ salary/ wages of respective category (monthly)
Board of Directors (BoD)*	3	1822738	-	-	-	-
Key Managerial Personnel	3	1822738	1	271061	-	-
Employees other than Bod and KMP#	357	100317	24	77721	-	-
Workers##	321	43266	17	52556		

* Includes Managing Director and Whole-time Directors.

Includes employees who have served for the full year, for median remuneration and excludes workers. ## Includes workers who have served for the full year, for median remuneration.

b. **Gross wages paid to females as % of total wages paid by the entity:**

	FY (2024-25)	PY (2023-24)
Gross wages paid to females	3,52,58,821.00	2,69,70,115.00
Total wages	1,11,07,00,000.00	1,06,32,00,000.00
Gross wages paid to females (Gross wages paid to females as % of total wages)	3.17%	2.54%

4. **Focal point (Individual/ Committee) responsible for addressing Human Rights impacts or issues caused or contributed to by the business?**

Business Ethics Proposal Line overseen by Business Ethics Committee and POSH committee.

5 **Internal mechanisms in place to redress grievances related to Human Rights issues?**

Individuals can raise the Human Rights concerns to Business Ethics Proposal line and POSH committee, these two committees investigates the matter and provides resolution in line with Honda's Business ethics driven by Honda Philosophy. To ensure the adherence of all human rights, annual Honda Corporate Governance audit is conducted at Entity level and Division level to identify risks and action plans are made to mitigate the identified risks.

6. **Number of Complaints on the following made by employees and workers:**

	FY (2024-25)			PY (2023-24)		
	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	NIL	NIL	-	NIL	NIL	-
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**

	FY 2024-25 Current Financial Year	PY 2023-24 Previous Financial Year
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
iii) Complaints on POSH as a % of female employees / workers	0%	0%
iv) Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The BEPL policy expressly provides that no discrimination or harassment shall take place against the complainant.

9. **Do Human Rights requirements form part of your business agreements and contracts?**

The Company includes human rights requirements as a part of its business agreements and contracts.

10. Assessments for the year:

	% of 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 %
Others	100 %

11. Details of corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing Human Rights grievances/complaints.

Not applicable as no grievances / complaints were received on Human Rights. No major risks were identified w.r.t. to human rights/ complaints, however as a proactive approach the business processes are timely reviewed and updated with respect to best human rights practices.

2. Details of the scope and coverage of any Human Rights due diligence conducted.

The Human Rights due diligence encompasses all Honda Processes and the conduct of individuals involved.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Company has the necessary infrastructure in place to make the workplaces accessible to differently abled employees and visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100% (Part Suppliers)
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

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:

Parameter	FY 2024-2025 (*Current Financial Year*)	PY 2023-2024 (*Previous Financial Year*)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	9,322 GJ	9,750 GJ
Total fuel consumption (E)	35,507 GJ	36,717 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	44,829 GJ	46,467 GJ
Total energy consumed (A+B+C+D+E+F)	44,829 GJ	46,467 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.56	0.47
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.56	0.47
Energy intensity in terms of physical output	0.20 GJ/Unit Production	0.22 GJ/Unit Production

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assessment was carried out by E&Y during their internal audit function.

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? (Y/N) 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.**

   The Company does not have any facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Details of the following disclosures related to water:**

Parameter	FY (2024-25)	PY (2023-24)
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	55,464	66,452
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	55,464	66,452
Total volume of water consumption (in kiloliters)	55,464	66,452
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.70	0.67
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.70	0.67
Water intensity in terms of physical output	0.25 KL/Unit Production	0.31 KL/Unit Production

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes: Water audit done by Accredited Water Auditing Agency; M/s Laghu Udyog Bharati, New Delhi.

4. **Details related to water discharged:**

Parameter	FY 2024-25 *(Current Financial Year)*	PY 2023-24 *(Previous Financial Year)*
Water discharge by destination and level of treatment (in kiloliters)		
(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 – please specify level of treatment	-	-
Total water discharged (in kiloliters)	**-**	**-**

The Company does not discharge any untreated water outside its premises. Wastewater generated is treated through an Effluent Treatment Plant (ETP) and a Sewage Treatment Plant (STP). The treated ETP water is reused for horticulture and toilet flushing. Treated STP water is also used for horticulture and is further processed through an Ultra Filtration (UF) system before being supplied to the Industrial RO plant. The remaining treated water is released as per the procedure laid down by the concerned authority.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes. The Company arranged water audit by M/s Laghu Udyog Bharati, New Delhi.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   The Company has installed highly efficient wastewater treatment systems, including Sewage Treatment Plants (STP) and Effluent Treatment Plants (ETP), at its manufacturing facility. Aligned with the principles of Zero Liquid Discharge (ZLD), the facility recycles treated wastewater for gardening and toilet flushing, thereby advancing towards complete ZLD compliance.

6. **Details of air emissions (other than GHG emissions):**

Parameter	Please specify unit	FY (2024-25)	PY (2023-24)
NOx	mg/NM3 (max)	1094	377
SOx	mg/NM3 (max)	275	109
Particulate matter (PM)	mg/NM3 (max)	340	299
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others (Quantity of Emission)	Tonnes/year	69859.38	54161.91

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, regular testing is being carried out through M/S Enviro International (MoEF approved lab) for environment parameters.

7. **Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity**

Parameter	Unit	FY 2024-25 (Current Financial Year)	PY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	MT-CO2	2009	2082
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	MT-CO2	1846	1866
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations in Lakh)	Metric Ton of CO2/ Revenue from operation in Lakhs	0.05	0.40
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 / Revenue from operations adjusted for PPP)		0.05	0.40
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.018	0.019

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Audit was conducted by E&Y during its internal audit process.

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Yes, in the year 2024-2025, the themes are being implemented to reduce the scope1 & scope 2 emissions by reduction in power and fuel consumption as per the following details:

- Thermal Painting implemented in paint shop Ovens
- Reduction in energy in consumption by VFD installation on ASU Blower & paint booth Blower.
- Reduction in Fuel consumption by optimization of burner efficiency.
- Reduction in energy consumption by installation of energy efficient
  - motor in Dry off oven.
  - pump in VAM unit.
  - pump on neutralization pit.
  - replacement of overhead light of Steel Shop with energy efficient LED lights.

9. **Details related to waste management.**

Parameter	FY 2024-25 (Current Financial Year)	PY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	191	201
E-waste (B)	6.35	3.29
Bio-medical waste (C)	0.01	0.01
Construction and demolition waste (D)	-	-
Battery waste (E)	4.36	0.00
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	34.72	37
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	582.91	952
Total (A+B + C + D + E + F + G + H)	**819.35**	**1,194**

Parameter	FY 2024-25 (Current Financial Year)	PY 2023-24 (Previous Financial Year)
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations in Lakhs)	0.009	0.012
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.009	0.012
Waste intensity in terms of physical output	0.0033 MT/Unit Production	0.0056 MT/unit production
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	727	1,160
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	727	1,160
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	20.11	21
(ii) Landfilling	11.51	09
(iii) Other disposal operations	-	-
Total	31.62	30

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, regular testing is being carried out through M/S Enviro International (MoEF approved lab) for hazardous waste.

10. Strategy to reduce and manage hazardous and toxic chemicals.

The Company maintains a record of all potential environmental, safety, health, and business threats in a risk register. These risks are evaluated and measures are defined to eliminate, reduce, and mitigate risk to a level that is "as low as reasonably possible," which is continuously monitored. Each year, the Risk Management Officer reviews and approves the register. Hazardous waste produced by the manufacturing facility is sent to the entities approved by the State Pollution Control Board or Central Pollution Control Board for disposal.

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, specify details:

No

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current Financial Year:

No projects were implemented in FY 2024-25 which required environmental impact assessment to be undertaken.

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.

The Company is compliant with all applicable environmental laws / regulations / guidelines in India.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

We are the critical water zone area.

For each facility / plant located in areas of water stress, information is as under:

(i) Name of the area: Gautam Budh Nagar

(ii) Nature of operations: Manufacturing of internal combustion engine-based Power Products

(iii) Water withdrawal, consumption and discharge :

Parameter	FY 2024-2025 (Current Financial Year)	PY 2023-2024 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	55,464	66,452
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-

Total volume of water withdrawal (in kiloliters)	55,464	66,452
Total volume of water consumption (in kiloliters)	55,464	66,452
Water intensity per rupee of turnover(Water consumed / turnover Rs. In Lakh)	0.70	0.67
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specifylevel of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into 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 – please specifylevel of treatment	-	-
Total water discharged (in kiloliters)	-	-

Note: Water audit was done by M/s Laghu Udyog Bharati, New Delhi.

2. **Details of total Scope 3 emissions and its intensity is given below:**

Parameter	Unit	F.Y. 2024-25	P.Y. 2023-24
Total Scope ~~3~~ (1&2) emissions (Break-up of the GHG into CO2, ~~CH4, N2O, HFCs, PFCs, SF6, NF3,~~ if available)	Metric tonnes of CO2 equivalent	5037	5256
Total Scope ~~3~~ (1&2) emissions per rupee of turnover	Tons/Rs	0.00000193	0.00000143
Total Scope ~~3~~ (1&2) emission intensity (optional) – the relevant metric may be selected by the entity		-	-

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. No

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable

4. **Details of the specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, as well as outcome of such initiatives, are as under:**

Details of various initiatives for reducing CO-emissions, conserving water, and minimizing waste are outlined below:-

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Reduction in CO2 emission	Installation of VFD on ASU (Air supply Unit) blower and Paint booth Exhaust Fan	5.16 Ton
2	Reduction in CO2 emission	Optimization of Burner efficiency	6.65 Ton
3	Reduction in CO2 emission	Installation of Energy efficient pump on VAM (Vapour absorption Machine) Unit.	5.53 Ton
4	Reduction in CO2 emission	Installation of Energy efficient motor on Dry Off Oven	1.51 Ton
5	Water Saving	Installation of Oler trap flush free in PDC Shop	300 KL
6	Water Saving	Modification in Drain line to re-use the die washing water from PDC die maint	105 KL
7	Water Saving	Reduction in raw water consumption by using treated wastewater for chemical dosing in ETP & STP	429 KL
8	Water Saving	Reduce water usage by using DM plant reject water in Paint ASU & Pit	124 KL
9	Waste Reduction	Waste Reduction through Remelting the dry aluminum chips & wet chips	31.03 Ton

5. **Does the entity have a business continuity and disaster management plan?**

The Company has a robust Business Continuity Plan, Business risk templates which is reviewed by management as per set frequency. Taking actions for all the identified risk within the set time frame.

6. **Disclose Significant adverse impact to the environment, arising from the value chain of the entity and mitigation or adaptation measures taken by the entity in this regard.**

   No significant impact was noted during the year under review.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:**

   Suppliers contributing to our 70% of purchasing amount (parts) are accessed on yearly basis for environmental impact, specifically for reduction of CO2.

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. :** None

   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:**

   Not applicable.

2. **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.**

   There were no cases of anti-competitive conduct during the reporting period.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:** None

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.**

   Since the CSR obligation of the Company is less than the prescribed limit, no assessments were necessitated during the reporting period.

2. **Information on project(s) for which ongoing Rehabilitation and Resettlement (RandR) is being undertaken by your entity, in the following format:**

   No rehabilitation and resettlement were undertaken by the entity during reporting period.

3. **Describe the mechanisms to receive and redress grievances of the community.**

   Any community member can raise complaints on Company's designated E-mail address at Company's website, which is monitored by the Senior Authority of the Company.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY (2024-25)	PY (2023-24)
Directly sourced from MSMEs/ small producers	34.32%	61.08%
Sourced directly from within the district and neighboring districts	79.66%	78.94%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non- permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25 Current Financial Year	PY 2023-24 Previous Financial Year
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

Leadership Indicators

1. **Details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not applicable

2. **Information on CSR projects undertaken by the Company in designated aspirational districts as identified by government bodies:** No CSR project has been undertaken by the Company in designated aspirational districts.

3. (a) **Details of Preferential Procurement Policy where the Company gives preference to purchase from suppliers comprising marginalized/ vulnerable groups:**

   The Company does not have a preferential procurement policy.

   (a) From which marginalized /vulnerable groups do you procure? NA

   (b) What percentage of total procurement (by value) does it constitute? NA

4. **Details of the benefits derived from and shared from the intellectual properties owned or acquired by the Company (in the Financial Year 2024- 25), based on traditional knowledge:**

   The Company currently holds no intellectual property other than the trademark 'HI+', which was registered in its name in the FY 2024-25. Since its registration, the Company has generated a turnover of Rs. 882.4 Lakhs attributable to the use of this trademark.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not applicable

6. **Details of beneficiaries of CSR Projects:**

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
School infrastructure development	260	100%
Sustainability/ Environment	5000	100%

PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. **Describe mechanisms in place to receive and respond to consumer complaints and feedback:**

   In order to address any customer issues with the Company's products and services, the Company has developed a service request monitoring portal which captures and ensures resolution of any type of customer dissatisfaction in a timely and qualitative manner.

2. **Turnover of products and / services as a percentage of turnover from all products/services that carry information about**

	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**

	FY (2024-25)		Remark	PY (2023-24)		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 (through consumer courts)	0	7	-	2	7	-

4. **Details of instances of product recalls on account of safety issue.**

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. **Framework/ policy on cyber security and risks related to data privacy and web-link of the policy :**

   The Company has a range of measures to manage this risk, including the use of IT Security Policy and procedures, security protection tools, continuous threat monitoring and incident response plans. The framework/policy is available on the Company's intranet and is accessible to all its employees.

6. **Corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   The Company did not face any instances of breach of cyber security or data of its customers during the reporting period.

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches along-with impact: NIL

   b. Percentage of data breaches involving personally identifiable information of customers: NIL

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The information on products and services is available on the Company's website under www.hondaindiapower.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company adheres to the relevant regulatory requirements by disclosing information on the safe and responsible usage of products in the user manual and warranty booklet. The customer is also educated on the safe and responsible usage of the product at the time of pre-delivery inspection.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company is not providing any Essential Services directly.

4. **Brief Details of display of product information on the product over and above what is mandated as per local laws:**

   The products displays the do's and don'ts while operating the same.

5. **Details of survey with regard to consumer satisfaction relating to the major products / services of the Company, significant locations of operation of the Company or the Company as a whole:**

   The Company periodically conducts customer satisfaction survey in different parts of the country.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH 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 medianremuneration of the employees of the company for the financial year;	CEO	20.7x
		Director	14x
		CFO	18.5x
		CS	2.75x
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, CompanySecretary in the financial year;	CEO	Japanese expats, salary not increased
		Director	Japanese expats, salary not increased
		CFO	8%
		CS	12%
3	The percentage increase in the median remuneration of theemployees in the Financial Year	The median remuneration of the employees in the financial year was increased by 3%. The calculation of percentage increase in median remunderation is done based on the comparable employees. For this we have excluded employees who were noteligible for any increment.	
4	The number of permanent employees on the rolls of the Company	The number of employees on the rolls of the Company including Japanese expatswere 725	
5	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase made in the salaries of Employees other then managerial personnel, in the financial year was 9.4%. Increase in salaries of managerial personnel was made at 7.8%. The average increase every year is an outcome of the performance of Company and Company's reward philosophy.	
6	Affirmation that remuneration is as per the remuneration policyof the Company	It is affirmed that remuneration is as per the remuneration policy of the Company	

Independent Auditors Report

To the Members of Honda India Power Products Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Honda India Power Products Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditors 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 on the financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, 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	
See Note 2(xi) and 16 to financial statements	
The key audit matter	**How the matter was addressed in our audit**
Revenue from sale of products to customers including related parties The Company's revenue is derived primarily from sale of portable gensets, water pumps, general purpose engines, lawn mowers, brush cutters and tillers ("goods"). Revenue from the sale of goods is recognized upon satisfaction of performance obligation which is at a point in time when the control of the goods is transferred to the customer. Revenue is a key performance metric which contains significant related party transactions. Revenue recognition has been identified as a key audit matter as there could be an incentive or external pressures to meet expectations resulting in revenue being overstated or recognized before the control of the goods has been transferred to the customer.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • We assessed the appropriateness of Company's accounting policies for revenue recognition by comparing with Ind AS 115 'Revenue from contracts with customers'. • We evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue. • We performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year by testing the underlying documents which included sales invoices, shipping documents and proof of deliveries, to assess whether these are recognized in the appropriate period in which control of the goods is transferred to the customer. • We performed analytical procedures on variance of current year revenue in comparison to previous year revenue and where appropriate conducted further testing. • We tested, on a sample basis, (using statistical sampling), specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognized in the financial period in which control of the goods is transferred to the customer. • For revenue from sale of goods to the related parties, we verified the Company's analysis in relation to arm's length assessment and involved our internal tax specialists. • We tested journal entries on revenue recognized during the year, by considering specified riskbased criteria, to identify unusual or irregular items. • We assessed the adequacy of disclosure made in the financial statements with respect to revenue recognized during the year as required by Ind AS 115 'Revenue from contracts with customers'.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) 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.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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-

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

2 A. 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 for the matters stated in the paragraph 2B(f) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.

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 Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.

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 B".

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

a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 31 to the financial statements.

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

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

d (i) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the Note 37(v) 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 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.

(ii) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the Note 37(v) 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (i) and (ii) above, contain any material misstatement.

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

As stated in Note 11 (b) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the respective software.

(i) For the accounting software used for maintaining general ledger audit trail (edit log) facility was not enabled at application level and the database level in relation to purchase, production and inventory of such accounting software.

(ii) the accounting software used for maintaining payroll related information did not have the feature of audit trail (edit log) facility except for employee master and bank data.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered during the course of our audit.

Additionally, except to the extent audit trail was not enabled for the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R and Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN: 25076124BMRJWC6987

Place: Gurugram
Date: 19 May 2025

Annexure A to the Independent Auditor's Report on the Financial Statements of Honda India Power Products Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Employees' Provident Funds and Miscllaneous Provisions Act, 1952	Provident Fund	4.8	FY 2018-19	15 April 2019	Not Paid	

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Lakhs)	Amount deposited under protest (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Customs Act, 1962	Customs Duty	22.76	22.76	2014-15	Customs Excise & Service Tax Appellate Tribunal, Chennai
The Customs Act, 1962	Customs Duty	11.06	0.83	2019-20	Customs Excise & Service Tax Appellate Tribunal, Chennai
The Customs Act, 1962	Customs Duty	398.18	29.86	2018-22	Customs Excise & Service Tax Appellate Tribunal, Allahabad
The Customs Customs Act, 1962	Customs Duty	4,441.69	1,756.40	2018-23	Customs Excise & Service Tax Appellate Tribunal, Allahabad
Various Sales Tax Act	Sales Tax	3.55	0.89	1999-00	Hon'ble High Court, Uttaranchal
Various Sales Tax Act	Sales Tax	21.12	-	2000-01	WBCT Appellate and revision board
Various Sales Tax Act	Sales Tax	0.15	-	2002-03	Deputy Commissioner Commercial Taxes
Various Sales Tax Act	Sales Tax	1.19	-	2003-04	Deputy Commissioner (Appeals), Bhopal
Various Sales Tax Act	Sales Tax	5.96	-	2004-05	Joint Commissioner (Appeals), Rudrapur
Various Sales Tax Act	Sales Tax	1.78	0.18	2007-08	Sales Tax Appellate Authority, Bhopal
Various Sales Tax Act	Sales Tax	0.74	-	2012-13	Deputy Commissioner (Appeal), Uttar Pradesh
Various Sales Tax Act	Sales Tax	63.49	20.32	2011-12	High Court, Chattisgarh
Various Sales Tax Act	Sales Tax	22.43	7.19	2012-13	High Court, Chattisgarh
Various Sales Tax Act	Sales Tax	14.53	14.53	2017-18	VAT Officer, Bhopal
Various Sales Tax Act	Sales Tax	28.78	-	2017-18	Assistant Commissioner, Uttar Pradesh
Various Sales Tax Act	Sales Tax	183.17	18.31	2015-16	Deputy Commissioner (Appeals), Raipur
Various Sales Tax Act	Sales Tax	112. 70	11.27	2016-17	Deputy Commissioner (Appeals), Raipur
Various Sales Tax Act	Sales Tax	58.45	-	2017-18	Deputy Commissioner (Appeals), Noida
Goods & Service tax, Act	Goods & Service tax	5.41	0.33	2019-20	Assistant Commissioner (Appeals), Raipur
Goods & Service tax, Act	Goods & Service tax	1.96	-	2017-18	Assistant Commissioner (Appeals), Bangalore
Goods & Service tax, Act	Goods & Service tax	4.27	-	2019-20	GST Officer, Bhubneshwar
Income Tax Act,1961	Income Tax	1,857.70	88.01	AY- 2020-21	Income Tax Appellate Tribunal (ITAT)
Income Tax Act,1961	Income Tax	3152.50		AY- 2018-19	Income Tax Appellate Tribunal (ITAT)
Income Tax Act,1961	Income Tax	3,243.99		AY- 2017-18	Income Tax Appellate Tribunal (ITAT)
Income Tax Act,1961	Income Tax	1,696.55	327.55	AY-2016-17	Commissioner of Income Tax (Appeals) (CIT)
Income Tax Act,1961	Income Tax	625.19	127.22	AY-2015-16	Commissioner of Income Tax (Appeals) (CIT)
Income Tax Act,1961	Income Tax	1,999.00	1027.27	AY-2014-15	Commissioner of Income Tax (Appeals) (CIT)
Income Tax Act,1961	Income Tax	1,543.31	1,419.99	AY-2013-14	Commissioner of Income Tax (Appeals) (CIT)
Income Tax Act,1961	Income Tax	48.00	48.00	AY-2011-12	Commissioner of Income Tax (Appeals) (CIT)
Income Tax Act,1961	Income Tax	18.59	-	AY-2007-08	Commissioner of Income Tax (Appeals) (CIT)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are 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, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

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

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

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

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and 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.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx}(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R and Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN: 25076124BMRJWC6987

Place: Gurugram
Date: 19 May 2025

Annexure B to the Independent Auditor's Report on the financial statements of Honda India Power Products Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to financial statements of Honda India Power Products Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **B S R and Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN: 25076124BMRJWC6987

Place: Gurugram
Date: 19 May 2025

Balance sheet as at March 31, 2025

(All amounts in INR lakhs, unless otherwise stated)

	Notes	March 31, 2025	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	10,178	9,128
Right-of-use assets	3(a)	360	406
Capital work-in-progress	3(b)	638	722
Other intangible assets	4	150	237
Intangible assets under development	4(a)	145	16
Financial assets			
i. Other financial assets	5(d)	2,526	3,715
Deferred tax assets (net)	6	1,324	1,043
Non-current tax assets (net)	7	4,599	4,453
Other non-current assets	8	3,229	2,563
Total non-current assets		**23,149**	**22,283**
Current assets			
Inventories	9	11,885	14,093
Financial assets			
i. Trade receivables	5(a)	11,805	5,074
ii. Cash and cash equivalents	5(b)	3,065	10,606
iii. Bank balances other than cash and cash equivalents	5(c)	51,151	43,474
iv. Other financial assets	5(d)	2,103	1,286
Other current assets	10	1,592	2,377
Total current assets		**81,601**	**76,910**
Total assets		**1,04,750**	**99,193**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11(a)	1,014	1,014
Other equity			
Reserves and surplus	11(b)	85,339	80,197
Total equity		**86,353**	**81,211**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease liabilities	3(a)	2	15
Provisions	14	40	86
Total non-current liabilities		**42**	**101**
Current liabilities			
Financial liabilities			
i. Trade payables	12(a)		
- Total outstanding dues of micro enterprises and small enterprises		1,207	1,300
- Total outstanding dues of creditors other than micro enterprises and small enterprises		6,942	8,693
ii. Lease liabilities	3(a)	8	32
iii. Other financial liabilities	12(b)	2,101	2,276
Contract liabilities	13	1,948	1,495
Provisions	14	2,534	2,386
Other current liabilities	15	3,615	1,699
Total current liabilities		**18,355**	**17,881**
Total liabilities		**18,397**	**17,982**
Total equity and liabilities		**1,04,750**	**99,193**

The above balance sheet should be read in conjunction with the accompanying notes (1 to 37) to financial statements.

This is the balance sheet referred to in our report of even date.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Rajesh Arora
Partner
Membership No. 076124

Place : Gurugram
Date : 19th May 2025

For and on behalf of the Board of Directors of
Honda India Power Products Limited

Sunita Ganjoo
Company Secretary

Shigeki Iwama **DIN: 10075458** CMD and President & CEO
Vinay Mittal **DIN: 05242535** Whole time director & CFO

Place : Greater Noida
Date : 19th May 2025

Statement of Profit and Loss for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	16	79,423	98,907
Other income	17	4,228	4,142
Total income		**83,651**	**1,03,049**
Expenses			
Cost of materials consumed	18	36,692	49,667
Purchases of stock in trade		5,566	10,136
Changes in inventories of finished goods, work in progress and stock-in-trade	19	2,141	274
Employee benefits expense	20	13,366	12,828
Finance costs	21	46	44
Depreciation and amortisation expense	22	2,180	2,022
Other expenses	23	12,890	16,103
Total expenses		**72,881**	**91,074**
Profit before tax		**10,770**	**11,975**
Exceptional Items	31(vii)	-	398
Profit after exceptional items before tax		**10,770**	**12,373**
Tax expense	24		
- Current tax		3,061	2,735
- Tax credit related to prior years		(25)	-
- Deferred tax (credit)/expense		(260)	417
Total tax expense		**2,776**	**3,152**
Profit for the year		**7,994**	**9,221**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	25	(84)	(13)
Income tax relating to above item	24	21	3
Other comprehensive loss for the year, net of tax		**(63)**	**(10)**
Total comprehensive income for the year		**7,931**	**9,211**
Earnings per equity share (face value of Rs.10 each)	35		
Basic		78.81	90.91
Diluted		78.81	90.91

The above statement of profit and loss should be read in conjunction with the accompanying notes (1 to 37) to financial statements.
This is the statement of profit and loss referred to in our report of even date.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Rajesh Arora
Partner
Membership No. 076124

Place : Gurugram
Date : 19th May 2025

For and on behalf of the Board of Directors of
Honda India Power Products Limited

Sunita Ganjoo	**Shigeki Iwama**	**DIN: 10075458**	CMD and President & CEO
Company Secretary	**Vinay Mittal**	**DIN: 05242535**	Whole time director & CFO

Place : Greater Noida
Date : 19th May 2025

Statement of changes in equity for the year ended March 31, 2025

(All amounts in INR lakhs, unless otherwise stated)

A Equity share capital

	Notes	Amount
As at April 1, 2023		1,014
Changes in equity share capital	11(a)	-
As at March 31, 2024		**1,014**
Changes in equity share capital	11(a)	-
As at March 31, 2025		**1,014**

B Other equity

	Reserves and surplus			
	Securities premium	General reserve	Retained earnings	Total
Balance at April 1, 2024	**396**	**12,087**	**67,714**	**80,197**
Profit for the year	-	-	7,994	7,994
Other comprehensive income				
Remeasurements of post-employment benefit obligations(net)	-	-	(63)	(63)
Total comprehensive income for the year	**-**	**-**	**7,931**	**7,931**
Transactions with owners in their capacity as owners:				
Dividend paid	-	-	(2,789)	(2,789)
	-	**-**	**(2,789)**	**(2,789)**
Balance at March 31, 2025	**396**	**12,087**	**72,856**	**85,339**
Balance at April 1, 2023	**396**	**12,087**	**60,177**	**72,660**
Profit for the year	-	-	9,221	9,221
Other comprehensive income				
Remeasurements of post-employment benefit obligations(net)	-	-	(10)	(10)
Total comprehensive income for the year	**-**	**-**	**9,211**	**9,211**
Transactions with owners in their capacity as owners:				
Dividend paid	-	-	(1,674)	(1,674)
	-	**-**	**(1,674)**	**(1,674)**
Balance at March 31, 2024	**396**	**12,087**	**67,714**	**80,197**

The above statement of changes in equity should be read in conjunction with the accompanying notes (1 to 37) to financial statements.
This is the statement of changes in equity referred to in our report of even date.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Rajesh Arora
Partner
Membership No. 076124

Place : Gurugram
Date : 19th May 2025

For and on behalf of the Board of Directors of
Honda India Power Products Limited

Sunita Ganjoo	Company Secretary			
Shigeki Iwama		**DIN: 10075458**	CMD and President & CEO	
Vinay Mittal		**DIN: 05242535**	Whole time director & CFO	

Place : Greater Noida
Date : 19th May 2025

Statement of cash flows for the year ended March 31, 2025

(All amounts in INR lakhs, unless otherwise stated)

		Year ended March 31, 2025	Year ended March 31, 2024
A.	**Cash flow from operating activities**		
	Profit before tax	10,770	11,975
	Adjustments for:		
	Depreciation and amortisation expense	2,180	2,022
	Net gain on disposal of property, plant and equipment and intangible assets	(82)	(33)
	Interest income on bank deposits	(3,746)	(3,290)
	Finance costs	46	44
	Net unrealised exchange gain	(53)	(265)
	Provisions / liabilities written back to the extent no longer required	(57)	(99)
	Bad debts written off	5	3
	Loss allowance for doubtful advances	137	-
	Provision created for slow moving inventory	529	126
	Advances written off	3	3
	Operating profit before working capital changes	**9,732**	**10,486**
	(Increase)/Decrease in trade receivables	(6,753)	2,075
	Decrease in inventories	1,679	2,475
	(Decrease)/Increase in trade payables	(1,848)	534
	(Increase) in other financial assets	(611)	(5)
	Decrease/(Increase) in other non current assets	36	(1,709)
	Decrease in other current assets	787	1,136
	Increase/(Decrease) in provisions	25	(1,979)
	(Decrease)/Increase in other financial liabilities	(25)	178
	Increase in contract liabilities	454	41
	Increase/(Decrease) in other current liabilities	1,916	(549)
	Cash generated from operations	**5,392**	**12,683**
	Income taxes paid (net of refunds and interest received on Income tax refund)	(3,183)	(2,517)
	Exceptional Items	-	398
	Net cash generated from operating activities - Total (A)	**2,209**	**10,564**
B.	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(3,968)	(2,195)
	Payments for intangibles assets	(168)	(124)
	Proceeds from sale of property, plant and equipment and intangibles	106	94
	Investment in fixed deposits	(49,022)	(45,156)
	Proceeds from maturity of fixed deposits	42,672	34,697
	Interest received on fixed deposits	3,400	2,817
	Net cash used in investing activities - Total (B)	**(6,980)**	**(9,867)**
C.	**Cash flows from financing activities**		
	Dividend paid	(2,778)	(1,673)
	Finance costs	(41)	(37)
	Lease payments including interest	(26)	(44)
	Net cash used in financing activities - Total (C)	**(2,845)**	**(1,754)**
D.	**Net decrease in cash and cash equivalents (A)+(B)+(C)**	**(7,616)**	**(1,057)**
	Cash and cash equivalents at the beginning of the year	**10,606**	**11,465**
	Effects of exchange rate changes on cash and cash equivalents	**75**	**198**
	Cash and cash equivalents at the end of the year	**3,065**	**10,606**
	Reconciliation of cash and cash equivalents as per the cash flow statement		
	Cash and cash equivalents as per above comprise of the following [Refer note 5(b)]		
	Balances with banks	1,129	1,461
	Deposits with original maturity of less than three months	1,725	9,005
	Cheques in hand	210	140
	Cash in hand	1	0
	Balances per statement of cash flows	**3,065**	**10,606**
E.	**Non-cash financing and investing activities**		
	- Acquisition of right-of-use assets [Refer note 3(a)]	-	17

Note

The above statement of cash flows should be read in conjunction with the accompanying notes (1 to 37) to financial statements.
This is the statement of cash flows referred to in our report of even date.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Rajesh Arora
Partner
Membership No. 076124

Place : Gurugram
Date : 19th May 2025

For and on behalf of the Board of Directors of
Honda India Power Products Limited

Sunita Ganjoo		
Company Secretary		
Shigeki Iwama	**DIN: 10075458**	CMD and President & CEO
Vinay Mittal	**DIN: 05242535**	Whole time director & CFO

Place : Greater Noida
Date : 19th May 2025

1. Company overview

Honda India Power Products Limited is a public company domiciled and headquartered in India. Its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is primarily engaged in manufacturing and marketing the portable gensets, water pumps, general purpose engines, lawn mowers, brush cutters, tillers, and marine engines. The Company caters to both domestic and international markets. The registered office of the Company is 409, DLF Tower B, Jasola Commercial Complex, New Delhi–110025 and Corporate Identification Number of the Company is L40103DL2004PLC203950.

2. Material accounting policies

i) Basis of preparation of financial statements

(i) Compliance with Indian Accounting Standards

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2025 were approved and authorized for issue by the Board of Directors on 19 May 2025.

(ii) Basis of measurement

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

- defined benefit plans - plan assets measured at fair value less present value of defined benefit obligation.

(iii) Recent issued accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 7th May 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from 1 April 2025. These amendments define currency exchangeability and include guidance on estimating spot exchange rates when a currency is not exchangeable. The Company does not expect this amendment to have any significant impact in its financial statements.

ii) Foreign currency transaction

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss for the year on a net basis.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into the functional currency at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss on a net basis.

iii) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. Revision to estimates are recognized prospectively.

a) Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Revenue recognition - In revenue arrangements where more than one good or service is provided to the customer, transaction price is allocated between the goods and services using relative standalone selling price. The Company generally determines the standalone selling price of individual elements based on a cost plus a reasonable margin. Revision to the estimates of these standalone selling price may significantly affect the allocation of total consideration among the individual elements. Refer note 16 of financial statements.

- Lease term: The Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The discount rate is generally based on the incremental borrowing rate, to determine the incremental borrowing rate, the Company uses recent third-party financing options received by the Company, adjusted to lease term etc., specific to the lease being evaluated. Refer note 3(a) of financial statements.

b) Assumptions and estimation uncertainity:

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes.

- Estimated useful life of property, plant and equipment and intangible asset – The annual depreciation and amortisation charge is sensitive to the estimated lives allocated to each type of asset. Assets lives are assessed annually and changed where necessary to reflect current circumstances considering technological change and physical conditions of the assets concerned, Note 3 & 4.
- Estimation of defined benefit obligation – Actuarial assumption, Note 25
- Estimation of provision for warranty claims – Historical warranty claim experience, Note 14
- Estimation of provision for inventory obsolescence – Historical movement of slow-moving inventory, Note 9

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

iv) Rounding of amounts

All amounts in Indian Rupees disclosed in the financial statements and notes thereof have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

v) Current – non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

vi) Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is carried at historical cost less any accumulated impairment losses, if any. All other items of property, plant and equipment (including capital work in progress) are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, estimated costs of dismantling and removing the item and restoring the place on which it is located and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

Depreciation methods estimated useful lives and residual value.

Depreciation on Property, plant and equipment is provided on the straight-line method based on the estimated useful life of each asset as determined by the management. Depreciation for assets purchased / sold during the period is proportionately charged.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Block of Asset	Estimated life (Years)	As per Companies Act Schedule II
Factory Buildings	30 Years	30 Years
Non-Factory Buildings	60 Years	60 Years
Plant and equipment (Dies/Jigs and fixtures)	5 years	15 Years
Plant and equipment (Electrical Installation)	10 Years	15 Years
Plant and equipment-Others	15 Years	15 Years
Office Equipment	5 years	5 years
Furniture and fixtures	8 years	10 Years
Vehicles	5 years	8 Years
Computers (Servers)	3 years	3 to 6 Years

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Freehold land is not depreciated.

The depreciation methods, assets useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Losses arising from retirement or gains or losses arising from disposal of assets are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other income.

The cost property, plant and equipment at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

vii) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the specific asset will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognised in the statement of profit and loss as incurred.

Amortisation methods and periods:

Intangible assets are amortised in the Statement of Profit and Loss over their estimated useful lives using the straight-line method, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

Intangible assets comprise technical knowhow - model fee and computer software.

The amortization rates are as follows:

Block of Asset	Estimated life (Years)
Technical knowhow – Model fees	5 Years
Computer software	3 Years

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

The cost of Intangible assets at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

viii) Impairment of non-financial assets

Property, plant and equipment and Intangible assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised for the amount by which the carrying amount of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the assets or CGU. 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). Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss are reviewed for possible reversal at the end of each reporting period. An impairment loss is reversed if there has been change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization if no impairment loss had been recognised.

ix) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares, and loose tools are carried at the lower of cost and net realisable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Goods in transit are valued at purchase cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The proportionate amount of additional duty of customs paid on finished goods imported for trading and lying unsold as at the year-end has been included in the value of the finished goods stock.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

x) Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, and ex-gratia. The amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Post-employment benefits

The Company operates the following post-employment schemes:

(a) defined contribution plans such as superannuation fund, national pension scheme and employee state insurance scheme; and

(b) defined benefit plans such as gratuity and provident fund

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts.

(i) Superannuation fund

Under the superannuation scheme, a defined contribution plan, the Company pays fixed contributions into a separate trust and has no obligation to pay further amounts. The trust has taken up a policy with the Life Insurance Corporation of India. Benefits are paid by Life Insurance Corporation of India to the vesting employees on retirement, death, incapacitation or termination of employment. Contributions paid by the Company to the superannuation trust are charged to the statement of profit and loss. The Company has stopped the contribution to superannuation fund trust w.e.f. October 1, 2023.

(ii) National Pension Scheme (NPS)

The Company has contributed to National Pension Scheme and is recognized as an expense in the statement of profit and loss every year.

(iii) Employee's state insurance scheme

The Company's contribution paid / payable to State plans namely employees state insurance scheme and Employees' Pension Scheme is recognized as an expense in the statement of profit and loss every year.

Defined benefit plans

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, both determined at the start of the annual reporting period. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(i) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust which has taken up a group policy with the Life Insurance Corporation of India. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

(ii) Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund set up as an irrevocable trust. Both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The aggregate contributions along with interest thereon are paid at retirement, death, in capacitation or termination of employment. The interest rate payable by the trust to the beneficiaries every year is notified by the appropriate authorities. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

The annual contributions paid by the Company to the provident fund are charged off to the Statement of Profit and Loss. In addition, the Company provides for the interest shortfall, if any and is determined annually based on an independent actuarial valuation report.

Other long-term employee benefit obligations - Compensated Absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured based on independent actuarial valuation using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

xi) Revenue recognition – Revenue from Contracts with Customers

Sale of goods

Timing of recognition: The Company manufactures and sells a range of power products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customers. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted these standard products in accordance with the sales contract, or the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The timing of transfers of control varies depending on the terms of sale. For sale of goods to domestic customers, such transfer occurs when the products are delivered to dealers and for export sales when delivered to a carrier at the port of the seller.

Receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Measurement of revenue: Revenue is measured at the transaction price of the consideration received or receivable. Amounts disclosed, as revenue are exclusive goods and services tax (GST) and inclusive amounts collected on behalf of third parties. A refund liability (sales incentive payable) is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

The Company accounts for volume discounts and pricing incentives (sales incentive) to customers as a reduction of revenue. The discounts/incentives are assessed based on its estimate of the customer's anticipated annual purchases. The Company recognises changes in the estimated amount of obligations for discounts/incentives in the period in which the change occurs. The discounts/ incentives are passed on to the customer as a reduction of payments due from the customer, on actual basis.

The Company's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision, see note 14.

A contract liability is recognised on account of unsettled advances received from /due to customers.

Sale of services

Timing of recognition: In arrangements for sale of goods, the Company provides after-sales service coupons to the end customers which entitle them to avail free of cost maintenance services. When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The arrangements generally meet the criteria for considering sale of goods and related services as separately identifiable performance obligation. Revenue related to the service coupons is deferred and recognised when the coupons are redeemed or expired whichever is earlier.

Measurement of revenue: The amount of service coupon revenue is based on the number of coupons redeemed or expired relative to the total number of coupons expected to be redeemed or expired based on relative standalone selling price of performance obligation

A contract liability is recognised on account of unexpired service coupons.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the Company does not adjust any of the transaction prices for the time value of money.

xii) Other operating revenue:

Export incentive income

Export benefits under various schemes notified by the government are recognized when there is reasonable assurance that they will be received, and the Company will comply with the conditions associated with the scheme.

xiii) Interest income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

xiv) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the statement of profit and loss), and
- those measured at amortised cost.

The classification depends on the entity'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 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.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the statement of profit and loss are expensed in statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses in other expenses.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI 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 income in the period in which it arises. Interest income from these financial assets is included in other income.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 27 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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 entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity 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 receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing component, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

xv) Financial Liabilities:

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. Changes in fair value of such liability are recognized in the statement of profit and loss.

Financial liabilities at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

xvi) 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.

xvii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

xviii) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably. Expected future operating losses are not provided for.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. All the provisions are reviewed at each balance sheet date.

Warranty costs

Warranty costs are estimated on the basis of a past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods.

xix) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent liabilities are reviewed at each Balance Sheet date. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

xx) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of reporting period in India where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

xxi) Leases

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re measurement of the lease liability. The right-of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term unless the lease transfers ownership of the underlying asset to the Company and useful life of the underlying asset. Leasehold land is amortized on a straight-line basis over the period of lease i.e. 90 years. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less.

xxii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of cash on hand, demand deposits with banks, other short term highly liquid investments 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.

xxiii) Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as the chief operating decision maker assess the financial performance and position of the Company and make strategic decisions. The Company is primarily engaged in the business of "manufacturing and marketing of portable gensets, water pumps, general purpose engines, lawn mower's, brush cutters, tillers and marine engines". However, in the context of Indian Accounting Standard 108 – Operating Segments, these are considered to constitute single reportable segment.

xxiv) Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to consider:

The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares, except where the results would be anti-dilutive.

xxv) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xxvi) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxvii) Royalty

The Company pays / accrues for royalty in accordance with the relevant license agreement.

xxviii) Fair value Measurement:

(a) Fair value hierarchy:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices (for example, listed equity instruments, traded bonds and mutual funds that have quoted price).

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Note 3: Property, plant and equipment and Capital work-in-progress (CWIP)

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total	Capital work-in-progress (CWIP)
Year ended March 31, 2024									
Gross carrying amount									
Gross carrying amount as on 1st April 2023	**117**	**3,958**	**13,081**	**141**	**400**	**341**	**151**	**18,189**	868
Additions during the year	-	210	1,669	35	384	137	132	2,567	2,421
Disposals during the year	-	(2)	(538)	(1)	(3)	(8)	(10)	(562)	-
Transfer during the year	-	-	-	-	-	-	-	-	(2,567)
Gross carrying amount as at 31st March 2024	**117**	**4,166**	**14,212**	**175**	**781**	**470**	**273**	**20,194**	**722**
Accumulated depreciation									
Accumulated depreciation as on 1st April 2023	**-**	**1,017**	**8,201**	**96**	**102**	**182**	**87**	**9,685**	-
Depreciation charge during the year	-	154	1,483	11	108	64	62	1,882	-
Disposals during the year	-	(1)	(480)	(0)	(3)	(8)	(9)	(501)	-
Accumulated depreciation as at 31st March 2024	**-**	**1,170**	**9,204**	**107**	**207**	**238**	**140**	**11,066**	**-**
Net carrying amount	**117**	**2,996**	**5,008**	**68**	**574**	**232**	**133**	**9,128**	**722**
Year ended March 31, 2025									
Gross carrying amount									
Gross carrying amount as on 1st April 2024	**117**	**4,166**	**14,212**	**175**	**781**	**470**	**273**	**20,194**	**722**
Additions during the year	18	549	1,846	171	16	407	90	3,097	3,013
Disposals during the year	-	(10)	(245)	(66)	(246)	(112)	(153)	(832)	-
Transfer during the year	-	-	-	-	-	-	-	-	(3,097)
Gross carrying amount as on 31st March 2025	**135**	**4,705**	**15,813**	**280**	**551**	**765**	**210**	**22,459**	**638**
Accumulated depreciation									
Accumulated depreciation as on 1st April 2024	**-**	**1,170**	**9,204**	**107**	**207**	**238**	**140**	**11,066**	**-**
Depreciation charge during the year	-	160	1,499	27	137	124	77	2,024	-
Disposals during the year	-	(1)	(243)	(65)	(240)	(108)	(152)	(809)	-
Accumulated depreciation as on 31st March 2025	**-**	**1,329**	**10,460**	**69**	**104**	**254**	**65**	**12,281**	**-**
Net carrying amount	**135**	**3,376**	**5,353**	**211**	**447**	**511**	**145**	**10,178**	**638**

(i) Contractual obligations

Refer to note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment, capital work-in-progress and intangible assets.

(ii) Capital work in progress

(a) Refer to Note 3 (b) for Capital work in progress ageing.

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

Note 3 (a): Right-of-use assets and lease liabilities

Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset:

	March 31, 2025	March 31, 2024
Buildings	9	50
Leasehold land	351	356
Total Right-of use assets	**360**	**406**

Carrying amount of lease liabilities at the end of the reporting period:

	March 31, 2025	March 31, 2024
Lease liabilities		
Current	8	32
Non Current	2	15
Total lease liabilities	**10**	**47**

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Amounts recognised in the statement of profit and loss

	March 31, 2025	March 31, 2024
Amortisation of right-of-use assets (refer note 22)		
Buildings	24	22
Leasehold land	6	6
	30	28
Interest on lease liabilities (refer note 21)	5	8
Expense relating to short-term leases (included in Rent) (refer note 23)	361	468
Total expense recognised in statement of profit or loss	**396**	**504**
Total cash outflow for leases	**366**	**476**
Additions to the right of use assets during the current financial year	-	17

The reconciliation of lease liabilities is as follows:

	March 31, 2025	March 31, 2024
Balance as at beginning of the year	47	81
Addition in lease liability duirng the year	-	17
Amounts recognized in statement of profit and loss as interest expense	5	8
Payment of lease liabilities	(26)	(44)
Derecognition	(16)	(15)
Balance as at end of the year	**10**	**47**

Contractual maturities of lease liabilities

	March 31, 2025	March 31, 2024
Not later than One year	8	32
Later than One year but not later than five years	2	15
Later than 5 years	-	-
Balance as at end of the year	**10**	**47**

Changes in profit due to Ind AS 116 (Leases) for the year ended March 31, 2025

	March 31, 2025	March 31, 2024
Decrease in rent expense	26	44
Increase in finance cost	(5)	(8)
Increase in depreciation and amortisation expense	(24)	(22)
Net increase/(decrease) in profit before tax	**(3)**	**14**

*Weighted average lessee's incremental borrowing rate applied to lease liabilities is 9.18%p.a. (March 31, 2024: 9.18%p.a.).

The Company's leasing activities: The Company has entered into lease agreements for lease of offices, godowns etc., generally for a period of 6 months to 5 years with renewal option and which can be terminated after lock-in-period by serving notice period as per the terms of the agreements.

In applying IndAS 116, the Company has used the following practical expedients:

(i) Applying a single discount rate to a portfolio of leases with reasonably similar characteristics.
(ii) Accounting for operating leases with a remaining lease term of less than 12 months as short-term leases.
(iii) Excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.
(iv) Excluding low value lease with respect to individual asset in a class of asset

Note 3(b): Capital Work-in-Progress (CWIP)

	March 31, 2025	March 31, 2024
Carrying amount of capital work in progress (CWIP)	638	722
Total	**638**	**722**

(a) Ageing of CWIP:

Project in Progress	Amounts in Capital Work-in-progress for				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31, 2025	638	-	-	-	**638**
As at March 31, 2024	722	-	-	-	**722**

(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost comparable to its original plan:

Particulars	To be completed in				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
As at March 31, 2025					
Projects in Progress					
(i) Plant and equipment	160	-	-	-	**160**
(ii) Buildings	142	-	-	-	**142**
(ii) Office Equipments	54	-	-	-	**54**
Projects temporarily suspended	-	-	-	-	-
Total	**356**	**-**	**-**	**-**	**356**
As at March 31, 2024					
Projects in Progress					
(i) Plant and equipment	573	-	-	-	**573**
(ii) Buildings	4	-	-	-	**4**
(ii) Office Equipments	3	-	-	-	**3**
Projects temporarily suspended	-	-	-	-	**-**
Total	**580**	**-**	**-**	**-**	**580**

Note 4: Other intangible assets

	Technical knowhow - Model fees	Software	Total	Intangible assets under development
Year ended March 31, 2024				
Gross carrying amount				
Gross carrying amount as on 1st April 2023	**397**	**744**	**1,141**	**56**
Additions during the year	-	164	164	124
Disposals during the year	-	-	-	-
Transfer during the year	-	-	-	(164)
Gross carrying amount as at 31st March 2024	**397**	**908**	**1,305**	**16**
Accumulated amortisation				
Accumulated amortisation at on 1st April 2023	**355**	**601**	**956**	**-**
Amortisation charge for the year	14	98	112	-
Disposals during the year	-	-	-	-
Accumulated amortisation as at 31st March 2024	**369**	**699**	**1,068**	**-**
Closing net carrying amount	**28**	**209**	**237**	**16**
Year ended March 31, 2025				
Gross carrying amount				
Gross carrying amount as on 1st April 2024	**397**	**908**	**1,305**	**16**
Additions during the year	-	39	39	168
Disposals during the year	-	(39)	(39)	-
Transfer during the year	-	-	-	(39)
Gross carrying amount as at 31st March 2025	**397**	**908**	**1,305**	**145**
Accumulated amortisation				
Accumulated amortisation as at 1st April 2024	**369**	**699**	**1,068**	**-**
Amortisation charge for the year	14	112	126	-
Disposals during the year	-	(39)	(39)	-
Accumulated amortisation as at 31st March 2025	**383**	**772**	**1,155**	**-**
Closing net carrying amount	**14**	**136**	**150**	**145**

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Note 4(a): Intangible assets under development

	March 31, 2025	March 31, 2024
Carrying amount of Intangible assets under development	145	16
Total	**145**	**16**

(a) Ageing of Intangible assets under development:

Particulars	Amounts in Intangible assets under development for				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Project in Progress					
As at March 31, 2025	139	1	2	3	145
As at March 31, 2024	11	2	3	-	16
Projects temporarily suspended					
As at March 31, 2025	-	-	-	-	-
As at March 31, 2024	-	-	-	-	-

(b) Completion schedule for Intangible assets under development whose completion is overdue or has exceeded its cost comparable to its original plan:

Particulars	To be completed in				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
As at March 31, 2025					
A. Project in Progress					
(i) Software	30	-	-	-	30
Projects temporarily suspended	-	-	-	-	-
Total	**30**	**-**	**-**	**-**	**30**
As at March 31, 2024					
Project in Progress					
(i) Software	12	-	-	-	12
Projects temporarily suspended	-	-	-	-	-
Total	**12**	**-**	**-**	**-**	**12**

Note 5: Financial assets
5(a) Trade receivables

	March 31, 2025	March 31, 2024
Undisputed, considered good#		
Receivables from others	6,034	3,207
Receivables from related parties (refer note 30)	5,770	1,867
Total receivables	**11,805**	**5,074**

includes trade receivables amounting to INR 432 lakhs as at March 31, 2025 (March 31, 2024: 375 lakhs) considered good in respect of which the Company holds guarantees from the bank.

Trade receivables ageing

	Outstanding for following periods from the due date						
	Not due	Less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed, considered good							
March 31, 2025	10,141	1,652	4	8	-	-	**11,805**
March 31, 2024	4,332	736	2	1	2	1	**5,074**

5(b) Cash and cash equivalents

	March 31, 2025	March 31, 2024
Balances with banks		
- In current accounts	307	473
- In EEFC (Exchange Earners Foreign Currency) accounts	822	988
Deposits with original maturity of less than three months	1,725	9,005
Cheques on hand	210	140
Cash on hand	1	0
Total cash and cash equivalents	**3,065**	**10,606**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

5(c) Bank balances other than cash and cash equivalents

	March 31, 2025	March 31, 2024
Bank deposits with original maturity more than 3 months but less than 12 months##	50,894	43,292
Unspent CSR accounts***	203	139
Unpaid dividend accounts***#	54	43
Total Bank balances other than cash and cash equivalents	**51,151**	**43,474**

***The balances in these accounts are not available for the Company's use.

Further, there are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

Fixed deposit aggregating to INR 50 Lakhs (March 31, 2024 INR 54 Lakhs) are pledged with government authorities.

5(d) Other financial assets

	March 31, 2025		March 31, 2024	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security deposits	40	129	72	105
Long-term deposits with banks with remaining maturity of period more than 12 months##	-	2,358	-	3,609
Interest accrued on bank deposits	1,522	39	1,214	1
Recoverable from trust	541	-	-	-
Unsecured, considered doubtful				
Security deposits	0	-	1	-
Less: Loss allowance for doubtful security deposits	(0)	-	(1)	-
Total other financial assets	**2,103**	**2,526**	**1,286**	**3,715**

Fixed deposit aggregating to INR 16 Lakhs (March 31, 2024 INR 4 Lakhs) are pledged with government authorities.

Note 6: Deferred tax assets (net)
The balance comprises temporary differences attributable to:

	March 31, 2025	March 31, 2024
Deferred tax assets		
Provision for employee benefits	605	528
Property, plant and equipment and intangible assets	375	340
Other items		
Provision for slow moving inventory	253	118
Allowances for doubtful advances	91	57
	344	**175**
Total deferred tax assets	**1,324**	**1,043**
Set-off of deferred tax liabilities pursuant to set-off provisions		
Other items	-	-
Total deferred tax liabilities	**-**	**-**
Net deferred tax assets	**1,324**	**1,043**

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Movements in deferred tax assets and liabilities

	Provision for employee benefits	Property, plant and equipment and intangible assets	Other items	Total
At April 1, 2023	**569**	**291**	**597**	**1,457**
(Charged)/credited:				
- to profit or loss	(44)	49	(422)	(417)
- to other comprehensive income	3	-	-	3
At March 31, 2024	**528**	**340**	**175**	**1,043**
(Charged)/credited:				
- to profit or loss	56	35	169	260
- to other comprehensive income	21	-	-	21
At March 31, 2025	**605**	**375**	**344**	**1,324**

Note 7: Non Current tax assets (net)

	March 31, 2025	March 31, 2024
Advance income tax (net)		
Opening balance	4,453	4,671
Add: Taxes paid (Net of provisions)	146	(218)
Closing balance*#	**4,599**	**4,453**

*Includes paid under protest as at March 31, 2025 INR 3,037 lakhs (March 31, 2024: INR 1,937 lakhs).
#Net of provision for tax as at March 31, 2025 of INR 38,823 lakhs (March 31, 2024: INR 43,661 lakhs)

Note 8: Other non-current assets

	March 31, 2025	March 31, 2024
Unsecured, considered good		
Capital advances	1,239	397
Recoverable from government authorities*	1,969	2,141
Prepaid expenses	21	25
Total	**3,229**	**2,563**
Unsecured, considered doubtful		
Special additional duty recoverable	184	184
Export benefits recoverable	39	39
Other recoverable from government authorities	137	-
Total	**360**	**223**
Less: Allowance for doubtful advances	(360)	(223)
Total other non-current assets	**3,229**	**2,563**

* Includes deposit under protest as at March 31, 2025 INR 1,882 lakhs
(March 31, 2024 : INR 1,842 lakhs)

Note 9: Inventories

	March 31, 2025	March 31, 2024
Raw materials [includes in transit: INR 1145 lakhs [March 31, 2024: INR 808 lakhs]]	4,554	4,098
Work-in-progress	725	706
Finished goods [includes in transit: INR 1,013 lakhs [March 31, 2024: INR 1,550 lakhs]]	3,211	3,115
Stock-in-trade [includes in transit: INR 793 lakhs [March 31, 2024: INR 903 lakhs]]	4,078	6,334
Stores and spares	325	319
Total	**12,893**	**14,572**
Less : Provision for slow moving inventory	(1,008)	(479)
Total inventories	**11,885**	**14,093**

Note 10: Other current assets

	March 31, 2025	March 31, 2024
Unsecured, considered good, unless otherwise stated		
Recoverable from related parties (refer note 30)	3	233
Advances for supply of goods	125	72
Prepaid expenses	185	169
Recoverable from government authorities	131	481
GST receivable	873	1,212
Special additional duty recoverable	24	24
Export benefits recoverable	100	87
Others**	151	99
Total other current assets	**1,592**	**2,377**

** includes advances given to a director as a part of the conditions of service extended by the Company to all its employees at March 31, 2025 INR 8 lakhs (March 31, 2024: INR 12 lakhs).

Note 11: Equity share capital and other equity

11(a) Equity share capital

Authorised share capital

	Equity shares	
	Number of shares	Amount
At the beginning of year - As at April 1, 2024	1,50,00,000	1,500
At the end of the year - As at March 31, 2025	**1,50,00,000**	**1,500**

Issued share capital

	Number of shares	Amount
Balance at the beginning of year - As at April 1, 2024	1,01,44,000	1,014
Balance at the end of the year - As at March 31, 2025	**1,01,44,000**	**1,014**

Subscribed and paid up share capital

	Number of shares	Amount
Balance at the beginning of year - As at April 1, 2024	1,01,43,071	1,014
Balance at the end of the year - As at March 31, 2025	**1,01,43,071**	**1,014**

(i) Movements in equity share capital

	Number of shares	Equity share capital (par value)
Balance at the beginning of year - As at April 1, 2024	1,01,43,071	1,014
Balance at the end of the year - As at March 31, 2025	**1,01,43,071**	**1,014**

Terms and rights attached to equity shares

The Company has a single class of equity shares having a par value of Rs. 10 each. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The voting rights on a poll (not on show of hands) are in proportion to an equity shareholder's share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(ii) Shares of the Company held by holding comapny & promoters

	March 31, 2025		March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
Honda Motor Co. Ltd., Japan				
Number of Shares at the beginning of the year	67,62,000	66.67%	67,62,000	66.67%
Changes during the year	-	-	-	-
Number of Shares at the end of the year	**67,62,000**	**66.67%**	**67,62,000**	**66.67%**

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

(iii) Details of shareholders holding more than 5% equity shares in the Company

	March 31, 2025		March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
Honda Motor Co. Ltd., Japan	67,62,000	66.67%	67,62,000	66.67%
Nippon Life India Trustee Ltd, India	8,94,730	8.82%	8,94,730	8.82%
Tata Mutual Fund - Tata Small Cap Fund	5,15,978	5.09%	5,14,413	5.07%

11(b) Other equity

Reserves and Surplus

	March 31, 2025	March 31, 2024
Securities premium	396	396
General reserve	12,087	12,087
Retained earnings	72,856	67,714
Total other equity	**85,339**	**80,197**

(i) Securities premium

	March 31, 2025	March 31, 2024
Balance at the beginning of year	396	396
Balance at the end of the year	**396**	**396**

(ii) General reserve

	March 31, 2025	March 31, 2024
Balance at the beginning of year	12,087	12,087
Balance at the end of the year	**12,087**	**12,087**

(iii) Retained earnings

	March 31, 2025	March 31, 2024
Balance at the beginning of year	67,714	60,177
Profit for the year	7,994	9,221
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(63)	(10)
Dividend on equity shares	(2,789)	(1,674)
Balance at the end of the year	**72,856**	**67,714**

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve represents the amount received in excess of par value of securities (equity shares). The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

The General Reserve is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserves will not be subsequently reclassified to profit and loss.

Retained earnings

Retained earnings represent the undistributed profits of the Company.

During the year a dividend of Rs 27.5 per share , total dividend Rs. 2,789 lakhs (Previous Year Rs 16.50 per share, total dividend 1,674 lakhs) was paid to equity shareholders. The board of directors recommended the final dividend of Rs. 21.50 per share (Nominal value of Rs. 10/share) for the financial year 2024-25. The dividend is subject to approval of shareholders in the ensuing Annual General Meeting.

Note 12: Financial liabilities

12(a) Trade payables

	March 31, 2025	March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (refer note 36)	1,207	1,300
Total outstanding dues of creditors other than micro enterprises and small enterprises *	6,942	8,693
Total trade payables	**8,149**	**9,993**

* Includes amount payable to related parties amounting to INR 3,371 lakhs as at March 31, 2025 (March 31, 2024: INR 4,313 lakhs). (Refer note 30).

Trade Payables Ageing

	Outstanding for following periods from the due date						
	Unbilled	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Year ended March 31, 2025							
Undisputed, Trade Payables							
Micro enterprises and small enterprises (MSME)	188	1,019	-	-	-	-	1,207
Others	2,698	4,244	-	-	-	-	6,942
Disputed dues -MSME	-	-	-	-	-	-	-
Disputed dues -Others	-	-	-	-	-	-	-
Total	**2,886**	**5,263**	**-**	**-**	**-**	**-**	**8,149**
Year ended March 31, 2024							
Undisputed, Trade Payables							
Micro enterprises and small enterprises (MSME)	107	1,193	-	-	-	-	1,300
Others	2,392	6,299	2	-	-	-	8,693
Disputed dues -MSME	-	-	-	-	-	-	-
Disputed dues -Others	-	-	-	-	-	-	-
Total	**2,499**	**7,492**	**2**	**-**	**-**	**-**	**9,993**

12(b) Other financial liabilities

	March 31, 2025	March 31, 2024
Current		
Security deposits from dealers	230	231
Interest accrued and due on security deposits	14	13
Unpaid dividends	54	43
Employee benefits payable	1,051	1,211
Capital creditors	528	639
Other payables	224	139
Total other current financial liabilities	**2,101**	**2,276**

Note 13: Contract liabilities

	March 31, 2025	March 31, 2024
Advance from customers	1,632	1,207
Deferred service revenue	316	288
Total Contract liabilities	**1,948**	**1,495**

(i) Significant changes in contract liabilities:
Contract liabilities include advances from customers and deferred revenue for which the Company is obliged to transfer goods or services to the customers. The Company estimate to recognise the revenue against contract liabilities in the next year.

(ii) Revenue recognised that was included in the contract liabilities balance.

	March 31, 2025	March 31, 2024
Revenue recognised	1,434	1,442
	1,434	**1,442**

Note 14: Provisions

	March 31, 2025		March 31, 2024	
	Current	Non - current	Current	Non - current
Provision for employee benefits (refer note 25)				
Compensated absences	1,643	-	1,521	-
Gratuity	764	-	577	-
Other provisions				
Warranties (refer note (i) below)	127	40	288	86
Total	**2,534**	**40**	**2,386**	**86**

(i) Information about warranty provisions and significant estimates

Warranties: Provision is made for warranty claims in respect of products sold which are still under warranty at the end of reporting period. The Company offers warranty for a period ranging from one year to two years to domestic and export customers. The warranty provision is expected to be utilised within the normal warranty period. The provision has been created based on management's estimates and past trends of actual claim received.

(ii) Movements in other provisions

Movements in each class of other provisions during the financial year, are set out below:

	Warranties	Repair of inventory	Reimbursement for inventory holding cost
As at April 1, 2023	427	509	1,241
Provision made during the year	222	-	-
Provision utilised/reversed during the year	(275)	(509)	(1,241)
As at March 31, 2024	**374**	**-**	**-**
Provision made during the year	-	-	-
Provision utilised/reversed during the year	(207)	-	-
March 31, 2025	**167**	**-**	**-**

Note 15: Other current liabilities

	March 31, 2025	March 31, 2024
Statutory tax payables	1,081	683
Contribution towards corporate social responsibility (refer note 23(b))	449	349
Sales incentive payable	2,085	667
Total other current liabilities	**3,615**	**1,699**

Note 16: Revenue from Operations

	March 31, 2025	March 31, 2024
Revenue from Contracts with Customers		
Sale of products		
Finished goods	65,344	84,054
Stock in trade	9,002	9,546
Spares and components	3,509	3,211
Total Sale of Products	77,855	96,811
Sale of services	748	739
Total revenue from contracts with customers	78,603	97,550
Other operating revenue		
Scrap sales	158	158
Support service fees	234	217
Export incentive income	387	951
Others	41	31
Total other operating revenue	820	1,357
Total revenue from operations	**79,423**	**98,907**

Reconciliation of revenue recognised with contract price:

	March 31, 2025	March 31, 2024
Contract price	82,880	99,061
Sales incentive	(3,961)	(1,223)
Deferred service revenue	(316)	(288)
Total revenue from contracts with customers	**78,603**	**97,550**

Revenue related to the service coupons is deferred and recognised when the coupons are redeemed or expired whichever is earlier. Management estimates that the entire deferred revenue would be recognised as revenue within next 12 months.

There are no reconciling items between the revenue recognised and contracted price.

Revenue from contract with customers is disaggregated by geographical region and presented in Note 29.

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Note 17: Other income

	March 31, 2025	March 31, 2024
Interest income under the effective interest method from financial assets at amortised cost		
-Interest income on Bank deposits	3,746	3,290
Net gain on sale of property, plant and equipments and intangible assets	82	33
Foreign exchange fluctuation (net)	263	202
Provisions / liabilities written back to the extent no longer required	57	99
Miscellaneous income	80	518
Total other income	**4,228**	**4,142**

Note 18: Cost of materials consumed

	March 31, 2025	March 31, 2024
Raw material at the beginning of the year	4,098	6,295
Add : Purchases during the year	37,148	47,470
Less : Raw material at the end of the year	4,554	4,098
Total cost of materials consumed	**36,692**	**49,667**

Note 19: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	March 31, 2025	March 31, 2024
Finished goods at the end of the year	3,211	3,115
Finished goods at the beginning of the year	3,115	5,847
Changes in inventory of finished goods	(96)	2,732
Stock-in-trade at the end of the year	4,078	6,334
Stock-in-trade at the beginning of the year	6,334	3,815
Changes in inventory of Stock-in-trade	2,256	(2,519)
Work-in-progress at the end of the year	725	706
Work-in-progress at the beginning of the year	706	767
Changes in inventory of Work-in-progress	(19)	61
Total changes in inventories of finished goods,work-in-progress and stock-in-trade	2,141	274

Note 20: Employee benefits expense

	March 31, 2025	March 31, 2024
Salaries, wages and bonus	11,107	10,632
Contribution to provident fund and other funds (refer note 25)	710	659
Gratuity (refer note 25)	254	257
Compensated absences (refer note 25)	377	315
Staff welfare expenses	918	965
Total employee benefits expense	**13,366**	**12,828**

Note 21: Finance costs

	March 31, 2025	March 31, 2024
Interest on security deposits from dealers	14	13
Interest on lease liabilities (refer note 3(a))	5	8
Interest on income tax	27	23
Total finance costs	**46**	**44**

Note 22: Depreciation and amortisation expense

	March 31, 2025	March 31, 2024
Depreciation of property, plant and equipment (refer note 3)	2,024	1,882
Amortisation of right-of-use assets (refer note 3(a))	30	28
Amortisation of intangible assets (refer note 4)	126	112
Total depreciation and amortisation expense	**2,180**	**2,022**

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Note 23: Other expenses

	March 31, 2025	March 31, 2024
Consumption of stores and spare parts	387	415
Power and fuel	787	875
Rent (refer note 32(b) and 3(a))	361	468
Repairs		
- Buildings	73	83
- Plant & Machinery	200	202
- Others	147	161
Insurance	126	123
Rates and taxes	33	45
Royalty	3,178	3,747
Technical guidance fees	149	262
Freight, clearing and forwarding	2,019	2,630
Commission on sales	1,221	2,998
Advertisement and sales promotion	520	791
Service expenses	263	261
Travelling expenses	633	553
Legal and professional fees (refer note 23(a))	1,004	1,043
Vehicle running expenses	151	136
Bad debts written off	5	3
Provision for slow moving inventory (refer note 9)	529	126
Allowance for doubtful advances	137	-
Advances written off	4	18
Less: written off against provision	(1) 3	(15) 3
Warranty expenses	-	222
Security expenses	119	125
Bank charges	6	9
Contribution towards corporate social responsibility (Refer note 23(b))	246	210
Miscellaneous expenses	593	612
Total other expenses	**12,890**	**16,103**

Note 23(a): Details of payments to auditors

	March 31, 2025	March 31, 2024
Payments to auditors#		
As auditor:		
Audit fee	46	49
Tax audit fee	3	3
Limited reviews fee	9	9
Re-imbursement of expenses	6	5
Total payments to auditors	**64**	**66**

excluding Goods and Services Tax

Note 23(b): Corporate social responsibility expenditure

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are environment sustainability and miscellaneous (education, health care sector) . A CSR committee has been formed by the Company as per the Act.

	March 31, 2025	March 31, 2024
Amount required to be spent by the company during the year as per Section 135 of the Act	246	210
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	146	173
Shortfall at the end of the year	246	210
Total Previous year shortfall	203	139
Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
Related party transactions	-	-

Details of unspent obligations

	March 31, 2025	March 31, 2024
Balance at the beginning of the year with company bank account	210	180
Balance at the beginning of the year in separate unspent CSR account	139	132
Amount transferred to unspent CSR account during the year*	210	180
Amount required to be spent by the company during the year as per Section 135 of the Act**	246	210
Amount spent during the year from company bank account	-	0
Amount spent during the year from separate unspent CSR account	146	173
Balance at the end of the year with company bank account*	246	210
Balance at the end of the year in separate unspent CSR account	203	139

* The amount has been transferred to separate unspent CSR account with ICICI Bank in April 2025 (Previous Year in April 2024).
** Amount has been approved by board of directors and CSR committee.

Note 24: Income tax expense

	March 31, 2025	March 31, 2024
(a) Income tax expense		
Current tax		
Current tax on profits for the year	3,061	2,735
Adjustments for current tax of prior periods	(25)	-
Total current tax expense	**3,036**	**2,735**
Deferred tax		
Decrease/(increase) in deferred tax assets	(260)	415
(Decrease)/increase in deferred tax liabilities	-	2
Total deferred tax (credit)/expense	**(260)**	**417**
Income tax expense	**2,776**	**3,152**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	March 31, 2025	March 31, 2024
Profit before income tax expense	10,770	12,373
Tax at the India tax rate of 25.168% (2023-2024: 25.168%)	**2,711**	**3,114**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Amortisation of leasehold land	2	2
Corporate social responsibility expenditure	62	53
Other items	1	(17)
Income tax expense	**2,776**	**3,152**

(c) Income tax on 0ther comprehensive income

	March 31, 2025	March 31, 2024
Items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	(84)	(13)
Tax at the India tax rate of 25.168% (2023-2024: 25.168%)	**21**	**3**

Note 25 : Employee benefits

(i) Compensated absences

The Compensated absences cover the Company's liability for accumlated earned leave and sick leave.

The entire amount of the provision of INR 1643 lakhs (March 31, 2024: INR 1521 lakhs) is presented as current since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leaves within the next 12 months.

(ii) Defined contribution plans

Superannuation Fund

The expense recognised during the period towards defined contribution plan is INR NIL lakhs (March 31, 2024: 72 lakhs).

Employee State Insurance

The expense recognised during the period towards defined contribution plan is INR 12 lakhs (March 31, 2024: 11 lakhs).

Employer Contribution to National Pension Scheme

The expense recognised during the period towards contribution to national pension scheme is INR 164 lakhs (March 31, 2024: 71 lakhs).

(iii) Post-employment obligations

(a) Gratuity

Balance sheet amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

	Present value of obligation	Fair value of plan assets	Net Amount
April 1, 2023	2,633	(1,795)	838
Current service cost	196	-	196
Interest expense/(income)	193	(132)	61
Total amount recognised in profit or loss	**389**	**(132)**	**257**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)		(37)	(37)
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses (experience adjustment)	50	-	50
Total amount recognised in other comprehensive income	**50**	**(38)**	**13**
Employer contributions	-	(530)	(530)
Benefit payments	(182)	182	-
March 31, 2024	**2,890**	**(2,313)**	**577**
April 1, 2024	2,890	(2,313)	577
Current service cost	212	-	212
Interest expense/(income)	208	(166)	42
Total amount recognised in profit or loss	**420**	**(166)**	**254**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(10)	(10)
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses (experience adjustment)	94	-	94
Total amount recognised in other comprehensive income	**94**	**(10)**	**84**
Employer contributions	-	(151)	(151)
Benefit payments	(256)	256	-
March 31, 2025	**3,148**	**(2,384)**	**764**

(b) Provident fund

The expenses recognised during the period towards provident fund is INR 534 lakhs (March 31, 2024: INR 504 lakhs) which also includes defined contribution to family pension scheme INR 134 lakhs (March 31, 2024: 137 lakhs).

Balance sheet amounts - provident fund	Present value of obligation	Fair value of plan assets	Net Amount
April 1, 2023	8,551	(9,023)	(472)
Current service cost	357	-	357
Interest expense/(income)	763	-	763
Total amount recognised in profit or loss	**1,120**	**-**	**1,120**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(758)	(758)
(Gain)/loss from change in financial assumptions	(260)	-	(260)
Experience (gains)/losses (experience adjustment)	-	-	-
Total amount recognised in other comprehensive income	**(260)**	**(758)**	**(1,018)**
Employer contributions	-	(357)	(357)
Contributions by plan participants/employees	849	(849)	-
Benefits paid	(641)	641	-
Settlements/transfer in	29	(29)	-
March 31, 2024	**9,648**	**(10,375)**	**(727)**

	Present value of obligation	Fair value of plan assets	Net Amount
April 1, 2024	9,648	(10,375)	(727)
Current service cost	392	-	392
Interest expense/(income)	813	-	813
Total amount recognised in profit or loss	**1,205**	**-**	**1,205**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(832)	(832)
(Gain)/loss from change in financial assumptions	7	-	7
Experience (gains)/losses (experience adjustment)	-	-	-
Total amount recognised in other comprehensive income	**7**	**(832)**	**(825)**
Employer contributions	-	(392)	(392)
Contributions by plan participants/employees	893	(893)	-
Benefit paid	(1,445)	1,445	-
Settlements/transfer in	8	(8)	-
March 31, 2025*	**10,316**	**(11,055)**	**(739)**

* There is surplus in the provident fund, hence no liability has been recognised.

The net liability disclosed above relates to funded and unfunded plan are as follows:

	Gratuity		Provident fund	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Present value of funded obligations	3,148	2,890	10,316	9,648
Fair value of plan assets	(2,384)	(2,313)	(11,055)	(10,375)
Deficit/(surplus) of funded plan	**764**	**577**	**(739)**	**(727)**
Unfunded plans	-	-	-	-
Deficit/(surplus) of gratuity plan and provident fund*	**764**	**577**	**(739)**	**(727)**

*Excess of planned assets over defined benfit obligations has not been recognised in the books. The Company is under an obligation to make good the shortfall, if any.

(iv) Post employment benefits
Significant estimates: actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

	Gratuity		Provident fund	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Discount rate per annum	6.93%	7.23%	6.93%	7.23%
Salary growth rate per annum	8.00%	8.00%	-	-
Expected statutory interest rate per annum	-	-	8.25%	8.25%
Expected short fall in interest earnings on the fund	-	-	0.05%	0.05%
Retirement age	58 years	58 years	58 years	58 years
Mortality rate	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Withdrawal rate				
Ages:				
Upto 30 years	3%	3%	3%	3%
From 31 to 44 years	2%	2%	2%	2%
Above 44 years	1%	1%	1%	1%

(v) Sensitivity analysis
The sensitivity of the defined benefit obligation to changes in the principal assumptions are:

(a) Changes in defined benefit obligation of Gratuity plan due to change in discount rate

	March 31, 2025	March 31, 2024
i) Defined benefit obligation	3,148	2,890
ii) Decrease in defined benefit obligation at 0.5% increase in discount rate	(157)	(139)
iii) Increase in defined benefit obligation at 0.5% decrease in discount rate	171	152

(b) Changes in defined benefit obligation of Gratuity plan due to change in salary growth rate

	March 31, 2025	March 31, 2024
i) Defined benefit obligation	3,148	2,890
ii) Increase in defined benefit obligation at 0.5% increase in salary growth rate	168	150
iii) Decrease in defined benefit obligation at 0.5% decrease in salary growth rate	(156)	(139)

(c) Changes in defined benefit obligation of Provident Fund plan due to change in discount rate

	March 31, 2025	March 31, 2024
i) Defined benefit obligation	10,316	9,648
ii) Impact on defined benefit obligation at 0.5% increase in discount rate	(3)	(2)
iii) Impact on defined benefit obligation at 0.5% decrease in discount rate	3	2

(d) Changes in defined benefit obligation of Gratuity plan and Provident fund due to changes in mortality and withdrawal rate, are negligible.

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. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period. Brackets represents gain.

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

(vi) The major categories of plan assets are as follows:

Gratuity

	March 31, 2025		March 31, 2024	
	Unquoted	**in %**	**Unquoted**	**in %**
Investment funds				
Funds managed by insurer	2,384	100%	2,313	100%
Total	**2,384**	**100%**	**2,313**	**100%**

Provident fund

	March 31, 2025		March 31, 2024	
	Unquoted	**in %**	**Unquoted**	**in %**
Investment funds				
Government securities	5,527	50%	5,187	50%
Public sector unit bonds	4,975	45%	4,669	45%
Mutual funds	553	5%	519	5%
Total	**11,055**	**100%**	**10,375**	**100%**

(vii) Risk exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are defined below:

Investment risk	If plan is funded then assets and liabilities mismatch and actual investment return on assets is lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can impact the plan's liability.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

(viii) Defined benefit liability and employer contributions

Expected provident fund contribution for the year ended March 31, 2026 is INR 420 lakhs.

Expected contribution to post-employment benefit plan i.e. gratutiy for the year ended March 31, 2026 is INR 274 lakhs.

The weighted average duration of the defined benefit obligation of Gratuity plan as at March 31, 2025 is 15.62 years (March 31, 2024: 16.01 years). The expected maturity analysis of gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2025					
Defined benefit obligation	409	115	478	2,146	3,148
Total	**409**	**115**	**478**	**2,146**	**3,148**
March 31, 2024					
Defined benefit obligation	458	150	362	1,920	2,890
Total	**458**	**150**	**362**	**1,920**	**2,890**

The expected maturity analysis of provident fund is as follows:

	Less than a year	Between 1-5 years	Between 5-10 years	Over 10 years	Total
March 31, 2025					
Defined benefit obligation	2,159	1,383	4,072	2,702	10,316
Total	**2,159**	**1,383**	**4,072**	**2,702**	**10,316**
March 31, 2024					
Defined benefit obligation	1,177	1,897	1,974	4,600	9,648
Total	**1,177**	**1,897**	**1,974**	**4,600**	**9,648**

Note 26: Fair value measurements
Financial instruments by category

	Notes	March 31, 2025	March 31, 2024
Financial assets as amortised cost			
Trade receivables	5(a)	11,805	5,074
Cash and cash equivalents	5(b)	3,065	10,606
Other bank balances	5(c)	51,151	43,474
Security Deposits	5(d)	169	177
Long-term deposits with banks with remaining maturity period more than 12 months	5(d)	2,358	3,609
Interest accrued on bank deposits	5(d)	1,561	1,215
Recoverable from trust	5(d)	541	-
Total financial assets		**70,650**	**64,155**
Financial liabilities at amortised cost			
Trade payables	12(a)	8,149	9,993
Lease Liabilities	3(a)	10	47
Security deposits from dealers	12(b)	230	231
Interest accrued and due on security deposits	12(b)	14	13
Unpaid dividends	12(b)	54	43
Employee benefits payable	12(b)	1,051	1,211
Other payables	12(b)	224	139
Capital creditors	12(b)	528	639
Total financial liabilities		**10,260**	**12,316**

(a) Fair value of financial assets and liabilities measured at amortised cost

The following summarizes the financial instruments at fair value and classification of financial instruments into the three levels prescribed under the Indian Accounting Standards:

There are no financial assets and financial liabilities in a category measured at fair value-recurring fair value measurements.

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, trade payables, employee benefits payables, lease liabilities, interest accrued, unpaid dividends, capital creditors and security deposits received are considered to be the same as their fair values, due to their short-term nature.

The fair values for long - term deposits with banks with remaining maturity period more than 12 months were calculated based on cash flows discounted using a current interest rate.The carrying amount is considered to approximate the same to fair value as at the reporting date based on evidence obtained from banks to support the valuation.

There is no transfer of financial assets and liabilities between the levels 1,2,3 during the year.

Note 27: Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects on the Company's financial performance. This note explains the sources of risk which the entity is exposed to and how the entity manages such risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of bank deposits, credit limits, letter of credit and periodic monitoring of realisable value
Liquidity risk	Trade payables and other liabilities	Rolling cash flow forecasts	Availability of sufficient internally generated operating cash flows
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Cash flow forecasting

The Company's senior management oversees the management of these risks. The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(A) Credit risk

Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks, as well as credit exposures to customers, including outstanding receivables.

(i) Credit risk management

Trade receivables and other financial assets

A default is when the counterparty fails to make contractual payments within 30 days of when they fall due in case of trade receivables and for other financial assets as prescribed by relevant terms of the contract. This definition of default is determined considering the business environment in which the Company operates and other macro-economic factors. Assets are written-off when there is no reasonable expectation of recovery, such as a trade receivables declaring bankruptcy or failing to engage in a repayment plan with the Company. Where financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the statement of profit and loss.

The Company extends credit to the customers considering factors such as credit track record in the market and past dealing with the Company. The Company monitors the payment track record of the customers. The Company's third party export customers are secured through letter of credit and majority of the Company's export trade receivables are outstanding but not due with its related entities, which mitigates the risk to an extent.

Cash and cash equivalents and deposits with banks

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits accounts in different banks across the Country.

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The 12-month expected credit loss is a portion of the lifetime expected credit losses which results from default events that are possible within 12 months after the reporting date. At initial recognition, financial assets are considered as having negligible credit risk. The Company monitors whether there is any significant increase in credit risk since initial recognition.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

Lifetime expected credit loss are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. Management believes that the unimpaired amounts that are 6 months past due date are still collectible in full. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Considering the above factors the trade receivables continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all 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	Notes	Less than one year	More than one year	Total	Carrying Amount
March 31, 2025					
Trade payables	12(a)	8,149	-	8,149	8,149
Lease Liabilities	3(a)	8	2	10	10
Security deposits	12(b)	230	-	230	230
Interest accrued and due on security deposits	12(b)	14	-	14	14
Unpaid dividends	12(b)	54	-	54	54
Employee benefits payables	12(b)	1,051	-	1,051	1,051
Capital creditors	12(b)	528	-	528	528
Other payables	12(b)	224	-	224	224
Total		**10,258**	**2**	**10,260**	**10,260**

Contractual maturities of financial liabilities	Notes	Less than one year	More than one year	Total	Carrying Amount
March 31, 2024					
Trade payables	12(a)	9,993	-	9,993	9,993
Lease Liabilities	3(a)	32	15	47	47
Security deposits from dealers	12(b)	231	-	231	231
Interest accrued and due on security deposits	12(b)	13	-	13	13
Unpaid dividends	12(b)	43	-	43	43
Employee benefits payables	12(b)	1,211	-	1,211	1,211
Capital creditors	12(b)	639	-	639	639
Other payables	12(b)	139	-	139	139
Total		**12,301**	**15**	**12,316**	**12,316**

(C) Market risk

(i) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, JPY,THB,CNY and EUR . Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company does not have any debt other than leases in its financial statements. Therefore there is no exposure to interest risk.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	March 31, 2025				
	USD	**JPY**	**THB**	**CNY**	**EUR**
Financial assets					
Trade receivables	5,538	-	-	-	-
Recoverable from related parties	3	-	-	-	-
Advances for supply of goods	-	-	-	-	-
Cash balance	-	-	-	-	-
Bank balance in EEFC accounts	822	-	-	-	-
	6,363	**-**	**-**	**-**	**-**
Financial liabilities					
Trade payables	1,469	82	344	-	4
Other paybles	-	224	-	-	-
Capital Creditors	16	-	-	-	-
Exposure to foreign currency risk (liabilities)	**1,485**	**307**	**344**	**-**	**4**

	March 31, 2024				
	USD	**JPY**	**THB**	**CNY**	EUR
Financial assets					
Trade receivables	1,492	-	-	-	-
Recoverable from related parties	230	-	-	-	-
Advances for supply of goods	-	-	-	2	-
Cash balance	-	-	-	-	-
Bank balance in EEFC accounts	988	-	-	-	-
Exposure to foreign currency risk (assets)	**2,710**	**-**	**-**	**2**	**-**
Financial liabilities					
Trade payables	2,254	332	189	16	-
Exposure to foreign currency risk (liabilities)	**2,254**	**332**	**189**	**16**	**-**

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

	Increase/(Decrease) in profit before tax		Increase/(Decrease) in Equity	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
USD sensitivity with INR				
Increase by 5% (March 31, 2024: 5%)*	243.9	22.8	182.5	17.1
Decrease by 5% (March 31, 2024: 5%)*	(243.9)	(22.8)	(182.5)	(17.1)

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

JPY sensitivity with INR				
Increase by 5% (March 31, 2024: 5%)*	(15.3)	(16.6)	(11.5)	(12.4)
Decrease by 5% (March 31, 2024: 5%)*	15.3	16.6	11.5	12.4
THB sensitivity with INR				
Increase by 5% (March 31, 2024: 5%)*	(17.2)	(9.4)	(12.9)	(7.1)
Decrease by 5% (March 31, 2024: 5%)*	17.2	9.4	12.9	7.1
CNY sensitivity with INR				
Increase by 5% (March 31, 2024: 5%)*	-	(0.7)	-	(0.5)
Decrease by 5% (March 31, 2024: 5%)*	-	0.7	-	0.5
EUR sensitivity with INR				
Increase by 5% (March 31, 2024: 5%)*	(0.2)	-	(0.1)	-
Decrease by 5% (March 31, 2024: 5%)*	0.2	-	0.1	-

* holding all other variables constant.

Note 28: Capital management

(a) Risk management

The Company's objectives when managing capital are 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 does not have any debt other than leases in its financial statements. The Company is dependent on the capital contribution and cash flows generated from operations for the funding. The Company is not subject to any externally imposed capital requirements.

There is no change in the Company's capital structure since the previous year.

(b) Dividends

	March 31, 2025	March 31, 2024
(i) Equity shares		
Final dividend for the year ended March 31, 2024 of INR 17.50 (March 31, 2023: INR 16.50) per fully paid share.	1,775	1,674
Interim dividend during the year ended March 31, 2025 of INR 10 (March 31, 2024: NIL) per fully paid share.	1,014	-
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 21.50 (March 31, 2024: INR 17.50) per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	2,181	1,775

Note 29: Operating Segment

The Company is primarily engaged in the business of "Power Products". The Chief Executive Officer is the Company's Chief Operating Decision Maker (CODM) within the meaning of Ind AS 108 'Operating Segments'. CODM examines the Company's performance, reviews internal management reports, allocates resources based on analysis of various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirements of Ind AS 108 "Operating Segment".

Geographical information

The Company is domiciled in India. The amount of its revenue from external customers attributable to the entity's country of domicile and attributable to all foreign countries in total from which the entity derives revenue is shown in the table below:

Particulars	March 31, 2025	March 31, 2024
Revenue from Contracts with Customers		
India	62,257	59,175
Outside India	16,346	38,375
	78,603	97,550
Other operating revenue		
India	820	1,357
Outside India	-	-
	820	1,357
Total	**79,423**	**98,907**

Revenue from transactions with a customer from USA amounting to 10% or more of an entity's revenue during previous year ended March 31, 2024 is INR 24,280 lakhs. During the current year ended March 31, 2025 there is no customer with whom revenue is 10% or more of an entity's revenue.

The total of non-current assets other than deferred tax assets broken down by location of the assets is shown below:

Particulars	March 31, 2025	March 31, 2024
India	21,825	21,240
Outside India	-	-
Total	**21,825**	**21,240**

Note 30: Related party transactions

(a) Parent entity

The Company is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest	
			March 31, 2025	March 31, 2024
Honda Motor Co. Ltd., Japan	Holding and ultimate holding Company	Japan	**66.67%**	66.67%

(b) Other related parties

Type	Name	Place of incorporation
Fellow subsidiaries with whom transactions have been undertaken	American Honda Motor Co. Inc.	USA
	Asian Honda Motor Co. Limited	Thailand
	Honda Australia Motorcycle and Power Equipment Pty Ltd.	Australia
	Honda Canada Inc.	Canada
	Honda Cars India Limited	India
	Honda De Mexico S.A. DE C.V.	Mexico
	Honda Del Peru S.A.	Peru
	Honda Gulf FZE	UAE
	Honda Kaihatsu Co. Ltd.	Japan
	Honda Motor de Argentina S.A.	Argentina
	Honda Motor De Chile S.A.	Chile
	Honda Motor Europe Limited	United Kingdom
	Honda Motor Southern Africa (PTY) Ltd	South Africa
	Honda Motorcycle and Scooter India Private Limited	India
	Honda Philippines Inc.	Philippines
	Honda R & D (India) Private Limited	India
	Honda R & D Co. Limited	Japan
	Honda Selva Del Peru S.A.	Peru
	Honda Taiwan Co Ltd	Taiwan
	Honda Trading Corporation India Private Limited	India
	Honda Trading (China) Co. Ltd.	China
	Honda Trading (South China) Co. Limited	Hong Kong
	Honda Trading Asia Co. Limited	Thailand
	Honda Trading Brasil Ltda.	Brasil
	Honda Trading Corporation	Japan
	Honda Trading Philippines Ecozone Corporation	Philippines
	PT Honda Power Products Indonesia	Indonesia
	Honda Trading (HTE) GmbH	Germany
	Rajasthan Prime Steel Processing Center Private Limited	India
	Shanghai Honda Trading Co. Limited	China
	Honda Kaihatsu India Hospitality Pvt. Ltd.	India
	Thai Honda Co. Ltd.	Thailand
	Honda Vietnam Power Products Co. Ltd.	Vietnam
Common Partner/Director	DMD Advocates	India
Key management personnel	Mr. Shigeki Iwama, CMD and President & CEO	
	Mr. Noboru Sube, Senior Vice President , Whole time director (Resigned w.e.f 31st March 2024)	
	Mr. Akihiro Sakurai, Senior Vice President , Whole time director (Appointed w.e.f. 20th April 2024)	
	Mr. Vinay Mittal, Senior Vice President, Whole time director and CFO	
	Mr. Manoj Arora, Director(Resigned w.e.f 29th February 2024)	
	Mr. Ravi Prakash Mehrotra, Director	
	Ms. Alka M. Bharucha, Director (Resigned w.e.f 14th September 2024)	
	Ms. Kaori Osakada, Director (Resigned w.e.f 10th February 2025)	
	Mr. Nitin Savara, Director (Appointed w.e.f. 1st March 2024)	
	Ms. Anuradha Dutt, Director	
	Mr. Balachandran Dharman, Director (Appointed w.e.f. 1st September 2024)	
	Mr. Yasuhiro Takabatake, , Director (Appointed w.e.f. 11th February 2025)	

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

(c) Key management personnel (KMP) compensation

	March 31, 2025	March 31, 2024
Short-term employee benefits		
Mr. Vinay Mittal*	240	214
Mr. Noboru Sube	-	220
Mr. Shigeki Iwama	245	222
Mr. Akihiro Sakurai	176	-
Sitting fees		
Mr. Manoj Arora	-	6
Ms. Alka. M. Bharucha	5	5
Mr. Ravi Prakash Mehrotra	9	4
Ms. Anuradha Dutt	5	2
Mr. Nitin Savara	7	-
Mr. Balachandran Dharman	2	-
Other recoverable	8	12

*Excludes contribution to the gratuity fund and provision for leave encashment amounting to INR 12 lakhs(March 2024 Rs. 14 Lakhs) determined on an actuarial basis.

(d) Transactions with related parties

	March 31, 2025	March 31, 2024
Holding Company		
Purchase of goods		
Stock-in-trade	1,389	2,361
Components, raw material, consumables and spares	1,279	2,096
Purchase of capital goods	16	5
Other Expenses		
Technical guidance fee	149	262
Royalty	3,178	3,747
Export commission on sales	1,212	2,955
Sale of products		
Finished goods	833	600
Spares and components	2	15
Dividend paid	1,860	1,116
Reimbursement of expenses		
Paid	839	839
Received	104	739
Fellow subsidiaries with whom transaction exceeds 10% of the total class of transaction		
Purchase of stock-in-trade		
Asian Honda Motor Co. Limited, Thailand	3,496	6,681
Others	3	-
Purchase of components, raw material, consumables and spares		
Asian Honda Motor Co. Limited, Thailand	479	714
Honda Trading Asia Co. Ltd., Thailand	695	625
Honda Trading Corporation, Japan	518	628
Rajasthan Prime Steel Processing Center Private Limited, India	517	704
Shanghai Honda Trading Co. Ltd., China	6	22
Honda Trading Corporation India Private Limited, India	54	235
Honda Trading (China) Co. Ltd., China	298	575
Others	112	119

	March 31, 2025	March 31, 2024
Purchase of capital goods		
Honda Cars India Limited, India	1	-
Sale of finished goods		
American Honda Motor Co. Inc, USA	6,484	24,280
Honda Australia Motorcycle and Power Equipment Pty Ltd, Australia	1,654	696
Honda Canada Inc., Canada	3,298	5,903
Honda Motor Europe Limited, United Kingdom	1,465	4,118
Others	1,471	1,225
Sale of spares and components		
Honda Cars India Limited, India	596	444
Honda Motorcycle and Scooter India Private Limited, India	2,767	2,602
Others	1	4
Fee for infrastructure support services		
Honda R&D (India) Pvt. Ltd., India	16	16
Consultancy Services		
DMD Advocates	23	35
Support service fees		
Honda Cars India Limited, India	234	217
Reimbursement of expenses paid		
American Honda Motor Co. Inc, USA	123	118
Honda Canada Inc., Canada	32	37
Honda Kaihatsu Co. Ltd, Japan	0	1
Asian Honda Motor Co. Limited, Thailand	222	210
Others	51	101
Reimbursement of expenses received		
Honda Cars India Limited, India	-	12
Honda R&D (India) Pvt. Ltd., India	11	11
Asian Honda Motor Co. Limited, Thailand	17	5
Honda Motorcycle and Scooter India Private Limited, India	-	16
Others	3	6

(e) Outstanding balances arising from sales/purchases of goods and services, purchase of assets and other transactions

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	March 31, 2025	March 31, 2024
Holding Company		
Trade payables	2,881	3,416
Trade receivables	153	2
Other recoverables	-	229
Other payables	224	139
Fellow subsidiaries		
Trade payables		
Asian Honda Motor Co. Limited, Thailand	148	332
Honda Trading Corporation, Japan	26	31
Honda Trading Asia Co. Ltd., Thailand	61	37
Honda Trading Corporation India Private Limited, India	12	35
American Honda Motor Co. Inc, USA	69	244
Others	174	218
Trade receivables		
American Honda Motor Co. Inc, USA	3,022	831
Honda Canada Inc., Canada	1,006	-
Honda Motor Europe Limited, United Kingdom	619	453
Honda Motorcycle and Scooter India Private Limited, India	347	316
Honda Gulf FZE	141	127
Others	483	138
Other Recoverable		
Honda R&D (India) Pvt. Limited, India	1	1
Honda Trading (China) Co. Ltd.	-	2
Others	2	1
Advance from customers		
Others	0	0

There is no impairment allowance recognized in respect of receivables due from related parties.

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

(f) Terms and conditions
Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.
All other transactions were made on normal commercial terms and conditions and at arms length. All outstanding balances are unsecured and settled in cash.

Note 31: Contingent liabilities
The Company has contingent liabilities at the year end in respect of:

	March 31, 2025	March 31, 2024
Claims against the Company not acknowledged as debts		
Income tax matters	14,626	14,702
Customs matters	4,879	2,173
Sales tax matters	530	556
Other matters	57	57

Notes

(i) In respect of the matters above, the amount represents the demands received under the respective demand/ show cause notices/ legal claims, wherever applicable.

(ii) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

(iii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(iv) The Company has received a show cause notice dated May 30, 2018, from Regional Commissioner - Noida under section 7A of the Employees' Provident Fund and Miscellaneous Provisions Act 1952 challenging the salary structure used for determining the liability under the act in case of international workers. Presently the proceedings subsequent to the notice are in data collection and verification stage and no demand has been raised on the Company.
The Company has filed a writ petition against the show cause notice and proceedings thereto, in Allahabad High court, wherein the Hon'ble High court in their order dated April 30, 2019, directed that any final order passed by the Provident Fund authorities will be subject to the disposal of the present writ petition.
Based on the opinion obtained from external legal expert, the management has assessed that the Company has a good case in the said matter.

(v) The Company will continue to assess the impact of further developments relating to retrospective application of 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 on 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 is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

(vi) In view of the judgement of honourable supreme court in the case of M/s Northern operating system private limited(NOS) on manpower supply services, the Company has consulted a reputed lawyer and got its opinion. Based on the opinion the Company is of the view that the Company has no liability in this regards as the facts of the Company are different from NOS. However the Company has discharged the GST without admitting liability.

(vii) The results of product line testing done during the financial year 2021-22 were not in confirmation with required norms in case of USA, Canada, Australia, UK, countries in EU /EFTA. In case of USA and Canada, testing results exceeded the declarations on the products but same were within the required norms in respective countries. During the year ended 31 March 2023, based on management estimate, the Company has provided a sum aggregating to Rs 1,750 lakhs towards repair and reimbursement of expenses towards inventory holding of non-confirming stock out of the sale made by the Company during financial year 2021-22 to its fellow subsidiaries in USA and Canada.
During the previous year all the activities related to repair has been completed. No further action is necessitated in this regard.
The total expenditure incurred by the company in this regard is Rs 1352 lakhs, consequently Rs 398 lakhs being the excess provision made during year ended 31 March 2023 has been written back and shown under "Exceptional Items" in the financial statements in the previous year.

(viii) The Company has received order amounting to Rs 4,441.69 lakhs from Customs Department regarding classification of three parts at the time of importation. The Company has filed the appeal in CESTAT, Allahabad against the order.
Based on the opinion obtained from external legal expert, the management has assessed that the Company has a good case in the said matter.

Note 32: Commitments
(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities (net of advances) is as follows

	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment and intangible assets	1,459	833

(b) Leases

a) General description of the Company's lease arrangements:

The Company enters into lease arrangements for offices, residential premises for its employees and equipment for generating power for captive consumption. Some of the significant terms and conditions of the arrangements are:

- certain agreements for premises may generally be terminated by the lessee or either party by serving one to three month's notice or by paying the notice period rent in lieu thereof.
- the lease arrangements are generally renewable on the expiry of lease period subject to mutual agreement.

	March 31, 2025	March 31, 2024
b) Rental expense relating to lease	361	468
Total	**361**	**468**

c) There are no future minimum lease payments under non-cancellable lease.

Note 33: Events occuring after the reporting period

Refer to note 28(b) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

Note-34: Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Ratio	Methodology	March 31, 2025	March 31, 2024	% Variance	Reason of Variance above 25%
Current Ratio	Current Assets over Current liabilities	4.45	4.30	3.36%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.
Debt-Equity Ratio	Debt over Total Shareholder's Equity	0.00*	0.00*	0.00%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.
Debt Service Coverage Ratio	Earning Before Interest, Taxes, Deprecation and Amortization over Current Debt	492.32	323.91	51.99%	The increase in Debt service coverage ratio from March 31, 2024 is on account of decrease in lease liabilities during the year ended March 31, 2025.
Return On Equity Ratio	Profit for the year over Total average equity	9.54%	11.91%	-19.87%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.
Inventory Turnover Ratio	Sale of Products over Total average inventory	5.99	6.29	-4.69%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.
Trade Receivable Turnover Ratio	Revenue from operations over average trade receivables	9.41	16.27	-42.16%	The decrease in Trade Receivable Turnover ratio from March 31, 2024 is due to increase in credit sales and higher sales in last quarter of the year ended March 31, 2025.
Trade Payable Turnover Ratio	Adjusted expenses over average trade payables	5.96	7.56	-21.17%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.
Net Capital Turnover Ratio	Revenue from operations over average working capital	1.30	1.72	-24.58%	The decrease in Net Capital Turnover Ratio from March 31, 2024 is due to decrease in revenue from operations during the year ended March 31, 2025.
Net Profit Ratio	Profit for the year over revenue from operations	10.06%	9.32%	7.96%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.
Return On Capital Employed	Earning Before Interest and Taxes over average capital employed	12.91%	16.02%	-19.44%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.
Return on Investment	Profit for the year over Total Assets	7.63%	9.30%	-17.91%	The Change in ratio from March 31, 2024 is less than 25%, hence not required to be explained.

*below to two decimal places

Wherever the term "average" is used, the average has been computed as follows: (Balance as at beginning of the year + Balance as at end of year)/2

Notes:

Debt: current and non-current lease liabilities.

Current Debt: Current year lease payments

Adjusted expenses refers to Purchase and other expenses net of non-cash expenses

Notes to the financial statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Capital employed refers to total shareholders' equity and debt

Working capital: Current assets - Current Liabilities

Note 35: Earnings per share

	March 31, 2025	March 31, 2024
Net profit attributable to the equity holders of the Company	7,994	9,221
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	1,01,43,071	1,01,43,071
Basic and diluted earnings per share	**78.81**	**90.91**

Note: There are no dilutive instruments

Note 36: Disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006 based on the information:

Particulars	March 31, 2025	March 31, 2024
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
-Principal	1,207	1,300
-Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in the making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further inrterest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to small enterprise for the purpose of disallownace as a deductible expenditure under the MSMED Act, 2006	-	-

Note 37: Additional regulatory information required by Schedule-III

(i) Details of Benami Property:

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 any borrowings from banks and financial institutions on the basis of security of current assets.

(iii) Wilful Defaulter:

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

(iv) Compliance with number of layers of companies

The Company does not have any subsidaries.

(v) Utilisation of borrowed funds and share premium

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

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

(vi) Undisclosed income

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

(vii) Details of crypto currency or virtual currency

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

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Honda India Power Products Limited

Rajesh Arora
Partner
Membership No. 076124

Sunita Ganjoo
Company Secretary

Shigeki Iwama **DIN: 10075458** CMD and President & CEO
Vinay Mittal **DIN: 05242535** Whole time director & CFO

Place : Gurugram
Date : 19th May 2025

Place : Greater Noida
Date : 19th May 2025

NOTES

Product Range

WATER PUMPS



WB15X | WS20X | WB20XD | WB30XD | WB40XD

TILLERS



F300 | FJ500 | FQ650

LAWN MOWERS



HRJ196 | HRJ216

GENERAL PURPOSE ENGINES

SMALL | MID | BIG

NEW V-TWIN GENERATION



GX35 | GX50 | GX80 | GX200 | GX270 | GX630

PORTABLE GENERATORS



EP1000 | EX2400S | EU30is | EU70is

BRUSH CUTTERS



UMK425T | UMK435T | UMK450T | UMR435T

OUTBOARD MOTORS

PORTABLE | MID | BIG



BF9.9 | BF20 | BF40 | BF50 | BF60 | BF90 | BF150 | BF250

HONDA

Honda India Power Products Limited

CIN: L40103DL2004PLC203950

Regd. Office: 409, Tower B, DLF Commercial Complex
Jasola, New Delhi - 110025

Head Office & Works: Plot No. 5, Sector-41, (Kasna)
Greater Noida Industrial Development Area, Dist.
Gautam Budh Na gar, Uttar Pradesh - 20131 0

visit us at : www.hondaindiapower.com