

PHILIPS



Impact with Care

Annual Report 2024-25





Special Thanks



Late Mr. S. M. Datta
1936 – 2025

“Philips India Limited extends its sincere gratitude to our late ex-Chairman Mr. S. M. Datta for his invaluable contributions, leadership and guidance to the organization.

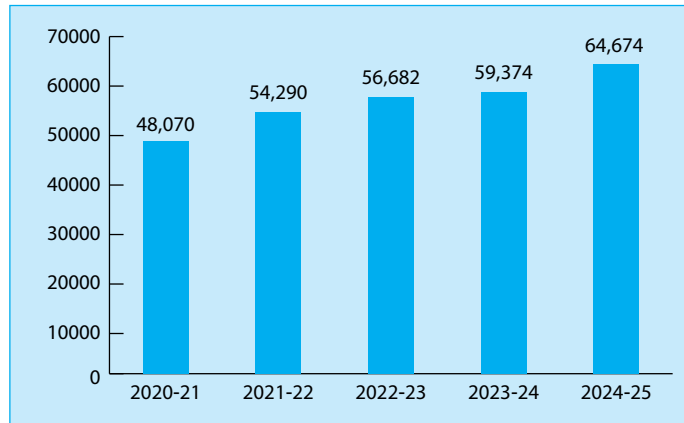
Mr. Datta’s tenure (1993 to 2024) was marked by exceptional vision, strategic foresight and an unwavering commitment to excellence.

His visionary leadership and dedication laid the foundation for our continued growth.”

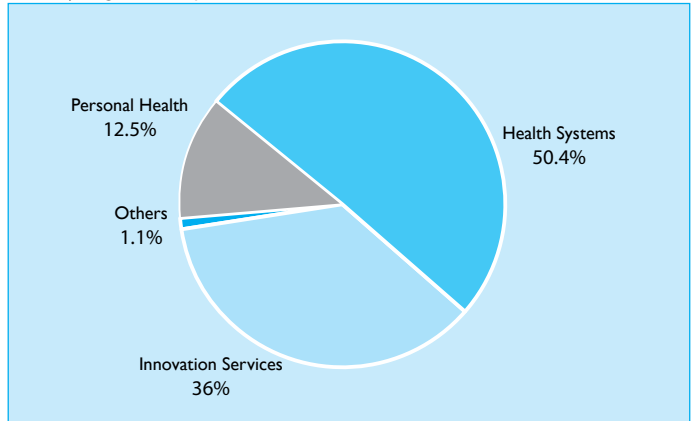


Sales

₹ in Mln

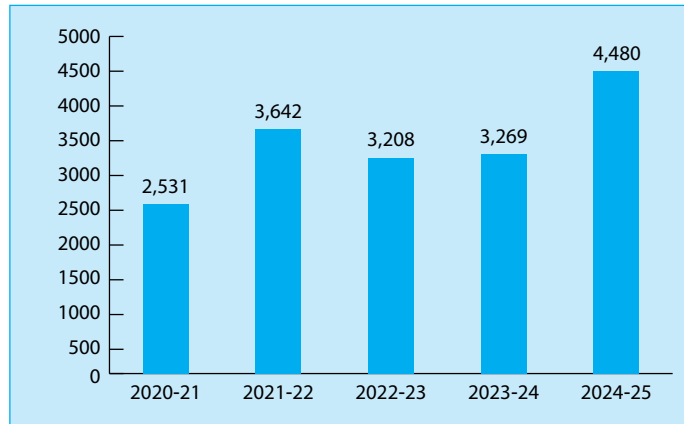


Sales by Segments- Apr 2024 - Mar 2025



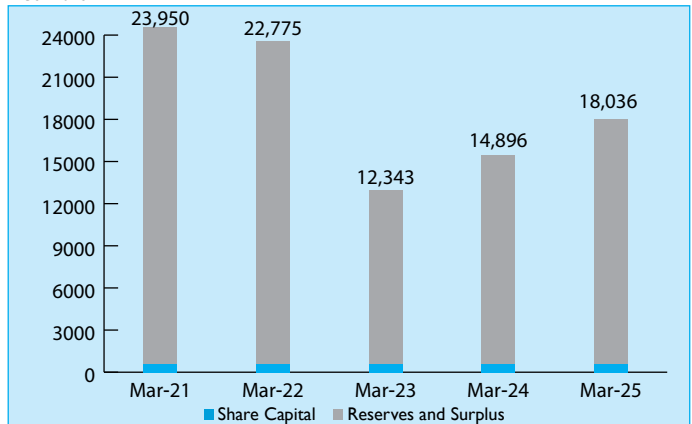
Profit Before Tax

₹ in Mln



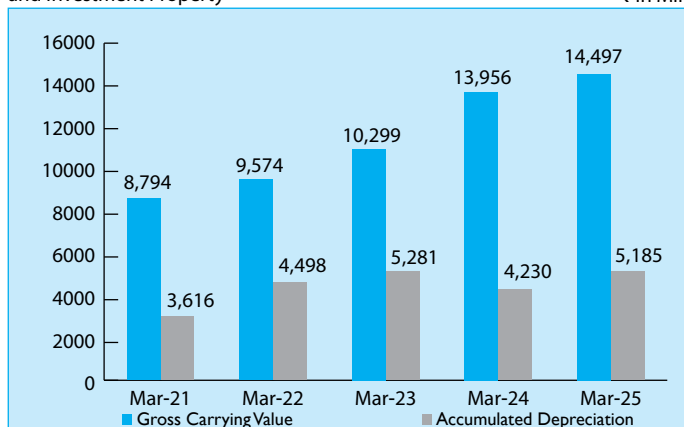
Net Worth

₹ in Mln



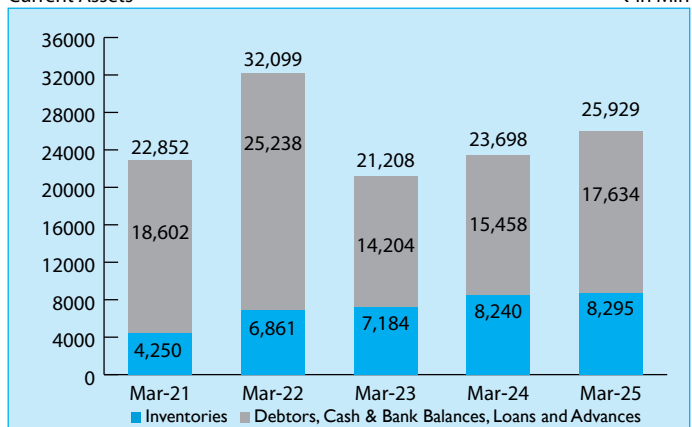
Property, Plant & Equipment, Capital Work-in-Progress and Investment Property

₹ in Mln



Current Assets

₹ in Mln



PHILIPS INDIA LIMITED

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Annual General Meeting on Tuesday, September 23, 2025 at 11.30 a.m.
through Video Conference (VC) / Other Audio Visual Means (OAVM)
For detailed procedure for joining the meeting through VC/OAVM and other relevant
information, please refer to the AGM Notice that forms part of the Annual Report.

BOARD OF DIRECTORS

Chairman and Non-Executive Independent Director

Angarai Dorairajan Aditya Ratnam

Managing Director effective from September 01, 2024

Bharath RamRaman Sesha

Whole - Time Director

Harish Chawla

Whole - Time Director and Chief Financial Officer

Dev Kumar Tripathy

Non-Executive Independent Directors

Geetu Gidwani Verma

Indu Ranjit Shahani

STATUTORY AUDITORS

S. R. Batliboi & Co. LLP

Chartered Accountants

BANKERS

Citibank N.A.

Bank of America N.A.

State Bank of India

HDFC Bank Limited

BNP Paribas

REGISTERED OFFICE

Rajarhat, 4A, 5th Floor, Ecospace Business Park, Premises, AA II,
Newtown, Kolkata, Chakpachuria, Kolkata West Bengal- 700156, India

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 95th Annual General Meeting of PHILIPS INDIA LIMITED will be held on Tuesday, 23rd September, 2025 through Video Conference / Other Audio Visual Means at 11:30 a.m. The venue of the meeting shall be deemed to be at the registered office of the Company at Rajarhat, 4A, 5th Floor, Ecospace Business Park, premises, AA II, Newtown, Chakpachuria, Kolkata, West Bengal 700156 India to transact the following business:

ORDINARY BUSINESS:

To consider and, if thought fit, to pass, the following resolutions as Ordinary Resolutions:

1. To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025, including the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss for the year ended on that date, Cash Flow Statement and Statement of Change in Equity for the financial year ended March 31, 2025 and the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Dev Kumar Tripathy (DIN: 10373357), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. APPOINTMENT OF MS. INDU RANJIT SHAHANI AS AN INDEPENDENT DIRECTOR (DIN: 00112289)

To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and in accordance of the provisions of the Article of Association of Company, Ms. Indu Ranjit Shahani holding (DIN: 00112289), who was appointed as an Additional Director (in the category of Non-Executive Director) of the Company under Section 149 & 161 of the Companies Act, 2013, on the recommendation of the Nomination and Remuneration Committee, by the Board of Directors effective from March 04, 2025 and who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, for a term of five years, with effect from March 05, 2025.

Resolved further that the Board be and is hereby authorized to do all such 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.”

4. REVISION IN REMUNERATION OF MR. BHARATH RAMRAMAN SESA, MANAGING DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:

“Resolved that in partial modification of the resolution passed by the Shareholders in the 94th Annual General Meeting of the Company held on September 27, 2024 and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, subject to such consents, approvals or permissions as may be necessary, including an approval from the Central Government, if required, the approval of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Bharath RamRaman Sesha, having DIN 01983066, Managing Director, to take effect from April 01, 2025, on the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Bharath.

Resolved Further that in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Bharath RamRaman Sesha holding office as Managing Director, the remuneration and perquisites set out in the Explanatory Statement 4 annexed hereto, be paid or granted to Mr. Bharath as minimum remuneration, provided that

the total remuneration by way of salary, perquisites and any other allowances shall not, unless approved by the Central Government, exceed the ceiling as provided in Schedule V to the Companies Act, 2013 or any equivalent statutory re-enactment(s) thereof.

Resolved Further that the Board be and is hereby 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.”

5. REVISION IN REMUNERATION OF MR. DEV KUMAR TRIPATHY, WHOLE-TIME DIRECTOR AND CHIEF-FINANCIAL OFFICER OF THE COMPANY

To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:

“**Resolved that** in partial modification of the resolution passed by the Shareholders in the 94th Annual General Meeting of the Company held on September 27, 2024 pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, subject to such consents, approvals or permissions as may be necessary, including an approval from the Central Government, if required, the approval of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Dev Kumar Tripathy, having DIN 10373357, Whole-Time Director and Chief Financial Officers, to take effect from April 01, 2025, on the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Dev Kumar Tripathy

Resolved Further that in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Dev Kumar Tripathy holding office as Whole-Time Director and Chief-Financial Officer the remuneration and perquisites set out in the Explanatory Statement 5 annexed hereto, be paid or granted to Mr. Dev Kumar Tripathy as minimum remuneration, provided that the total remuneration by way of salary, perquisites and any other allowances shall not, unless approved by the Central Government, exceed the ceiling as provided in Schedule V to the Companies Act, 2013 or any equivalent statutory re-enactment(s) thereof.

Resolved Further that the Board be and is hereby 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. REVISION IN REMUNERATION OF MR. HARISH CHAWLA, WHOLE-TIME DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:

“**Resolved that** in partial modification of the resolution passed by the Shareholders in the 94th Annual General Meeting of the Company held on September 27, 2024 pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, subject to such consents, approvals or permissions as may be necessary, including an approval from the Central Government, if required, the approval of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Harish Chawla, Whole-Time Director bearing DIN:07958339, to take effect from April 01, 2025, on the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Harish Chawla.

Resolved Further that in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Harish Chawla holding office as Whole-Time Director, the remuneration and perquisites set out in the Explanatory Statement 6 annexed hereto, be paid or granted to Mr. Harish Chawla as minimum remuneration, provided that the total remuneration by way of salary, perquisites and any other allowances shall not, unless approved by the Central Government, exceed the ceiling as provided in Schedule V to the Companies Act, 2013 or any equivalent statutory re-enactment(s) thereof.

PHILIPS INDIA LIMITED

Resolved Further that the Board be and is hereby 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.”

7. APPROVAL OF REMUNERATION OF COST AUDITORS OF THE COMPANY

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

“**Resolved that** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and on the recommendation of Audit Committee and approval by the Board, the Members of the Company hereby approves the remuneration/professional fee of INR 8,74,000/-(Rupees Eight Lacs and Seventy Four Thousand) plus applicable taxes and out of pocket expenses incurred by them in connection with the cost audit for the year ending 31st March, 2026, payable to M/s. R. Nanabhoy & Company, Cost Accountants, having registration number 7464 who are appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audit relating to cost records of the Company for the year ending March 31st, 2026.

Resolved further that the Board be and is hereby 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.”

By Order of the Board

Swati Batra
Company Secretary
Membership No:A23592

Date :August 05, 2025
Place : Gurugram

EXPLANATORY STATEMENT

Under Section 102 of the Companies Act, 2013

ITEM NO. 3

The Board of Directors on the recommendation of the Nomination and Remuneration Committee appointed Ms. Indu Ranjit Shahani (DIN:00112289) as an Additional Independent Director of the Company in its meeting held on March 04, 2025 up till the date of ensuing General Meeting.

The Company has received a notice under Section 160 of the Companies Act, 2013 from a shareholder/member proposing the candidature of Ms. Indu Ranjit Shahani as Director of the Company. Ms. Indu Ranjit Shahani is not disqualified from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.

Further on the recommendation of Nomination and Remuneration Committee and in accordance with the provisions of the Articles of Association of the Company, the Board of Directors have recommended the appointment of Ms. Indu Ranjit Shahani as an Independent Director; for approval of the shareholders of the Company.

The brief profile of Ms. Indu Ranjit Shahani is given below:

Ms. Indu Ranjit Shahani carries rich experience and expertise of 25 years in education and has been the Principal-HR College of Commerce & Economics. Dr Shahani has been instrumental in heralding the Advertising, Media and Communication education in the country.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company and is not liable to retire by rotation. Ms. Indu Ranjit Shahani has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Ms. Indu Ranjit Shahani as Independent Director was placed before the Nomination and Remuneration Committee, which recommended her appointment as an Independent Director for a period of five years upto March 03, 2030.

In the opinion of the Board of Directors, Ms. Indu Ranjit Shahani, proposed to be appointed as Independent Director; fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder; and she is independent of the Management. Further, consequent to the appointment of Ms. Indu Ranjit Shahani there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

Your Directors recommend the resolution set forth in Item No. 3 for the approval of the members. Except Ms. Indu Ranjit Shahani, being the appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are in anyway interested or concerned, financially or otherwise in the resolution as set out at Item No. 3 of the Notice.

ITEM NO. 4

The Board of Directors at their meeting held on August 07, 2024, pursuant to the recommendation of the Nomination and Remuneration Committee, had appointed Mr. Bharath RamRaman Sesha as a Managing Director of the Company, for a period of 5 years, with effect from September 01, 2024, which was approved by the shareholders of the Company at the Ninety Fourth Annual General Meeting of the Company held on September 27, 2024.

As per annual performance review process followed by the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, accorded on August 05, 2025, revision in remuneration payable to Mr. Bharath RamRaman Sesha is proposed with effect from April 01, 2025, for the approval of the members.

PHILIPS INDIA LIMITED

- I. The details of the present remuneration paid to Mr. Bharath RamRaman Sesha, along with the proposed remuneration are as below:

Particulars of Remuneration	Existing Remuneration	Revised Remuneration payable w.e.f April 01, 2025
Salary	<p>INR 2,743,261.67 per month aggregating to INR 32,919,140 or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time.</p> <p>The amount of INR 2,743,261.67/- per month includes:</p> <p>Basic Salary: 960,141.58 per month</p> <p>House Rent Allowance: 480,070.79 per month</p> <p>Flexible Benefit Plan: 1,141,649.49 per month</p> <p>Provident Fund: 115,216.99 per month</p> <p>Gratuity: 46,182.81 per month</p>	<p>INR 2,907,857.33 per month aggregating to INR 34,894,288 or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time.</p> <p>The amount of INR 2,907,857.33/- per month includes:</p> <p>Basic Salary: 1,017,750.07 per month</p> <p>House Rent Allowance: 508,875.03 per month</p> <p>Flexible Benefit Plan: 1,210,148.45 per month</p> <p>Provident Fund: 122,130.01 per month</p> <p>Gratuity: 48,953.78 per month</p>
Variable Performance Linked Bonus	As may be reviewed by Nomination and Remuneration Committee and approved by Board of Director based on each year performance.	40% of Base Pay (INR 13,957,715.2) or as may be reviewed by Nomination and Remuneration Committee and approved by Board of Director based on each year performance.
Perquisites	<p>Subject to the limits contained in Schedule V of the Companies Act, 2013, LTI and other perquisites continue to be paid as per Company's policy and appointment letter)</p> <p>Mr. Bharath RamRaman Sesha shall not be paid sitting fee for attending meetings of the Board of Directors of the Company or any Committee thereof.</p>	

The resolution for revision in remuneration of Mr. Bharath is appropriate and in the best interests of the Company.

Except Mr. Bharath, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

In view of the applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out at item no. 4 of the accompanying Notice for the approval of the Members.

ITEM NO. 5

The Board of Directors at their meeting held on October 31, 2023, had appointed Mr. Dev Kumar Tripathy as Chief Financial Officer of the Company upon the recommendation of the Nomination and Remuneration Committee. The Board of Directors, at their meeting held on December 15, 2023, had appointed Mr. Dev Kumar Tripathy as a Whole-Time Director of the Company, for a term of five years with effect from December 15, 2023, which was approved by the shareholders of the Company at the Ninety Fourth Annual General Meeting of the Company held on September 27, 2024.

As per annual performance review process followed by the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, accorded on August 05, 2025, revision in remuneration payable to Mr. Dev Kumar Tripathy is proposed with effect from April 01, 2025 for the approval of the members.

The details of the present remuneration paid to Mr. Dev Kumar Tripathy along with the proposed remuneration are as below:

Particulars of Remuneration	Existing Remuneration	Revised Remuneration payable w.e.f April 01, 2025
Salary	<p>INR 1,099,164.50 per month aggregating to INR 13,189,974.00 or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time.</p> <p>The amount of INR 1,099,164.50 /- per month includes:</p> <p>Basic Salary: 384,707.58 per month</p> <p>House Rent Allowance: 192,353.79 per month</p> <p>Flexible Benefit Plan: 457,433.79 per month</p> <p>Provident Fund: 46,164.91 per month</p> <p>Gratuity: 18,504.43 per month</p>	<p>INR 1,200,288 per month aggregating to INR 14,403,452 or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time.</p> <p>The amount of INR 1,200,288 /- per month includes:</p> <p>Basic Salary: 420,101 per month</p> <p>House Rent Allowance: 210,050 per month</p> <p>Flexible Benefit Plan: 499,518 per month</p> <p>Provident Fund: 50,412 per month</p> <p>Gratuity: 20,207 per month</p>
Variable Performance Linked Bonus	As may be reviewed by Nomination and Remuneration Committee and approved by Board of Director based on each year performance.	25% of Base Pay (INR 3,600,863) or as may be reviewed by Nomination and Remuneration Committee and approved by Board of Director based on each year performance.
Perquisites	<p>Subject to the limits contained in Schedule V of the Companies Act, 2013, LTI and other perquisites continue to be paid as per Company's policy and appointment letter)</p> <p>Mr. Dev Kumar Tripathy shall not be paid sitting fee for attending meetings of the Board of Directors of the Company or any Committee thereof.</p>	

The resolution for revision in remuneration of Mr. Dev Kumar Tripathy is appropriate and in the best interests of the Company.

Except Mr. Dev Kumar Tripathy, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

In view of the applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out at item no. 5 of the accompanying Notice for the approval of the Members.

ITEM NO. 6

Mr. Harish Chawla was appointed as Whole-Time Director with effect from July 18, 2024, for a term of five years which was approved by the shareholders of the Company at the Ninety Fourth Annual General Meeting of the Company held on September 27, 2024.

As per annual performance review process followed by the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, accorded on August 05, 2025, revision in remuneration payable to Mr. Harish Chawla is proposed with effect from April 01, 2025 for the approval of the members.

PHILIPS INDIA LIMITED

The details of the present remuneration paid to Mr. Harish Chawla along with the proposed remuneration are as below:

Particulars of Remuneration	Existing Remuneration	Revised Remuneration payable w.e.f April 01, 2025
Salary	<p>INR 1,018,681.58 per month aggregating to INR 12,224,179.00 or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time.</p> <p>The amount of INR 1,018,681.58 /- per month includes:</p> <p>Basic Salary: 356,538.55 per month</p> <p>House Rent Allowance: 178,269.28 per month</p> <p>Flexible Benefit Plan: 423,939.62 per month</p> <p>Provident Fund: 42,784.63 per month</p> <p>Gratuity: 17,149.50 per month</p>	<p>INR 1,059,428.83 per month aggregating to INR 12,713,146.00 or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time.</p> <p>The amount of INR 1,059,428/- per month includes:</p> <p>Basic Salary: 370,800.09 per month</p> <p>House Rent Allowance: 185,400.05 per month</p> <p>Flexible Benefit Plan: 440,897.20 per month</p> <p>Provident Fund: 44,496.01 per month</p> <p>Gratuity: 17,835.48 per month</p>
Variable Performance Linked Bonus	As may be reviewed by Nomination and Remuneration Committee and approved by Board of Director based on each year performance.	20% of Base Pay (INR 2,542,629.2) or as may be reviewed by Nomination and Remuneration Committee and approved by Board of Director based on each year performance.
Perquisites	<p>Subject to the limits contained in Schedule V of the Companies Act, 2013, LTI and other perquisites continue to be paid as per Company's policy and appointment letter)</p> <p>Mr. Harish Chawla shall not be paid sitting fee for attending meetings of the Board of Directors of the Company or any Committee thereof.</p>	

The resolution for revision in remuneration of Mr. Harish Chawla is appropriate and in the best interests of the Company.

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

In view of the applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out at item no. 6 of the accompanying Notice for the approval of the Members.

ITEM NO. 7

The Company is required to get audited its cost records conducted by a cost accountant in practice under Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 ("the Rules").

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. R. Nanabhoy & Company, Cost Accountants, having registration number 7464, as the Cost Auditors, to conduct the audit of the cost records and accounts maintained by the Company for the financial year ending March 31, 2026.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be approved by the members of the Company. Accordingly, consent of the members/shareholders is being sought for ratification of the remuneration payable to the Cost Auditors for Cost Audit of the financial year ending March 31, 2026.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution set out at item no. 7 of the accompanying notice except to the extent of shareholding in the Company, if any.

In view of the applicable provisions of the Companies Act, 2013, the Board recommends the Resolution as set out at item no. 7 of the accompanying notice for approval of the members/shareholders.

The details of Directors seeking appointment/re-appointment, in item no 2 & 3, as per requirements of Companies Act, 2013, and Secretarial Standard-2 issued by the Institute of Company Secretaries of India:

S. No.	Particulars	Mr. Dev Kumar Tripathy (DIN 10373357)	Indu Ranjit Shahani (DIN: 00112289)
1.	Date of Birth and Age	07/03/1977, 47 years	17/07/1951, 74 years
2.	Date of first Appointment	15.12.2023	04.03.2025
3.	Qualification	Chartered Accountant and MBA	MBA
4.	Brief Resume	Mr. Dev Tripathy, the Head of Finance for Philips Indian Subcontinent directs the operations of finance teams, collaborating closely with business units, clients, and commercial teams to foster solutions, drive sales growth, and uphold a resilient compliance culture.	Ms. Indu Ranjit Shahani carries rich experience and expertise of 25 years in education and she is the Principal-HR College of Commerce & Economics. Dr. Shahani has been instrumental in heralding the Advertising, Media and Communication education in the country.
5.	Experience and expertise in specific functional area	Strategy and Finance	Education
6.	Directorships held in Other Companies in India	a) Philips Vitalhealth Software India Private Limited b) Heartstream India Private Limited	1) Eureka Forbes Limited 2) Eurokids International Private Limited 3) Lighthouse Learning Private Limited 4) HSBC Asset Management (India) Private Limited 5) The Advertising Standards Council of India 6) Octopus Steel Private Limited
7.	Chairman/ Member of the Committee of the Board of other Companies in which they are director	No	1) Chairperson in CSR Committee of HSBC Asset Management (India) Private Limited 2) Member in Lighthouse Learning Private Limited, HSBC Asset Management (India) Private Limited and The Advertising Standards Council of India
8.	Shareholding in "Philips India Limited"	3 shares	NIL
9.	Inter-se Relationship between Directors/ Mangers/Key Managerial Personnel ("KMP")	NIL	NIL
10.	Terms and Conditions of Appointment/ Re-appointment and Remuneration	Key terms and conditions of appointment as mentioned in the explanatory statement item of No. 5 of this notice	Key terms and conditions of appointment as mentioned in the explanatory statement item of No. 3 of this notice
11.	Remuneration Last Drawn	As per Annual Report	NA
12.	Number of Board Meetings attended during the Financial Year 2025-26	Five of Five	NA

PHILIPS INDIA LIMITED

NOTES:

1. Pursuant to Ministry of Corporate Affairs ('MCA') General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated December 21, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 05, 2022, General Circular 03/2022, General Circular No. 10/2022 dated 28.12.2022 and General Circular No. 11/2022 dated 28.12.2022, Circular No. 09/2023 dated September 25, 2023, Circular No. 09/2024 dated September 19, 2024 and other applicable circulars, if any, has allowed the Companies to conduct the AGM/ EGM or passing of Ordinary/ Special Resolution through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till 30th September, 2025. In accordance with the said circulars, the 95th AGM of the Company will be conducted through VC / OAVM on Tuesday, 23rd September, 2025. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. Kfin Technologies Limited (Kfintech') will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in Notes below and is also available on the website of the Company at <https://www.philips.co.in/a-w/about/philips-india-limited>.
3. As per the General Circular No.20/2020 dated May 05, 2020, the matters of Special Business as appearing at Item No. 3 to 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
4. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Institutional / Corporate shareholders are requested to send a scanned copy (PDF / JPEG format) of the certified Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the RTA at evoting@kfintech.com and read the other instruction given in point no. 12.
6. In case of joint holders attending the AGM, only such joint holder, who is higher in the order of names, will be entitled to vote.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Ordinary & Special Businesses from Item no. 2 to 7 of the Notice and the relevant details of the Directors seeking appointment under Item No. 2 and 3 as required under Secretarial Standard - 2 on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, are annexed hereto.
9. Members are requested to contact the Registrar and Share Transfer Agent, M/s Kfin Technologies Ltd. for all matters connected with Company's shares at:

Kfin Technologies Ltd, Selenium Tower-B, Plot no.31-(&)32, Financial District, Nanakramguda, Hyderabad-500 032. Toll Free no. 18 00 3094 001 Telephone: +91 - 40 - 6716 1636 Email id: einward.ris@kfintech.com	Kfin Technologies Ltd, Kankaria centre. 2/1 Russel Street 4th Floor Kolkata- 700071 Telephone: +91 033 66285939
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10. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH-13). If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in form SH-14, as the case may be.

Members holding shares in physical mode are requested to update KYC details by submitting self-attested copies of PAN Card, Aadhaar Card, Bank account cancelled cheque leaf and duly completed ISR-1, ISR-2 forms. Please note that ISR forms can be downloaded from <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>, Kfin Technologies Ltd. Investor Support Center | Kfintech. Duly complete documents need to be sent at below address for updation.

Kfin Technologies Ltd,
Selenium, Tower-B, Plot no.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032.
Toll Free no. 18 00 3094 001
Telephone: +91 - 40 - 6716 1636
Email id: einward.ris@kfintech.com





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

- I. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated December 21, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 05, 2022, General Circular No. 3/2022, General Circular No. 10/2022 dated 28.12.2022, General Circular No. 11/2022 dated 28.12.2022 and Circular No. 09/2023 dated September 25, 2023 and Circular No. 09/2024 dated September 19, 2024 issued by MCA, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s).
- II. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to register/update the contact details by submitting the requisite Form ISR-I along with the supporting documents. Form ISR-I can be obtained by clicking on the link <https://ris.kfintech.com/clientservices/isc/isrforms.aspx> Form ISR-I duly filled and signed along with the supporting documents can be submitted to KFIN TECHNOLOGIES LTD.
- III. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants with whom they maintain their demat accounts.
- IV. The Notice of AGM along with Annual Report for the financial year 2024-25, is available on the website of the Company at <https://www.philips.co.in/a-w/about/philips-india-limited>, and on the website of Kfintech at <https://evoting.kfintech.com> or <https://emeetings.kfintech.com>.

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

- I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by Kfintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- II. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- III. The remote e-voting period commences at 09.00 A.M. on Saturday, September 20, 2025, and end at 05.00 P.M. on Monday, September 22, 2025. The remote e-voting module will be disabled by Kfintech for voting thereafter.
- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off date.
- V. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com or einward.ris@kfintech.com. However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- VI. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
- VII. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:
 1. **Step 1:** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
 2. **Step 2:** Access to Kfintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
 3. **Step 3:** Access to join virtual meetings (e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

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

Type of shareholders	Login Method
Individual Shareholders Holding securities in demat mode with NSDL	<p>1. For OTP based login you can click</p> <p>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 the Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. Existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</p> <ol style="list-style-type: none"> Visit the e-services website of NSDL 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. Thereafter enter the existing user id and password. After successful authentication, Members will be able to see e-voting services under ‘Value Added Services’. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed. Click on Company name i.e. PHILIPS INDIA LTD or ESP i.e. KFin. Members will be re-directed to KFin’s website for casting their vote during the remote e-voting period. <p>3. Those not registered under IDeAS:</p> <ol style="list-style-type: none"> Visit https://eservices.nsdl.com for registering. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-voting website of NSDL https://www.evoting.nsdl.com. 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. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page. Click on Company name i.e PHILIPS INDIA LTD or ESP name i.e KFin after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period. Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Electronic Access To Securities Information (“EASI / Easiest”) facility:</p> <ol style="list-style-type: none"> Visit https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com Click on New System Myeasi. Login to MyEasi option under quick login. Login with the registered user ID and password. Members will be able to view the e-voting Menu. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication. <p>2. User not registered for EASI / Easiest</p> <ol style="list-style-type: none"> Visit https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. After successful registration, please follow the steps given in point no. 1 above to cast your vote. <p>3. Alternatively, by directly accessing the e-voting website of CDSL</p> <ol style="list-style-type: none"> Visit www.cdslindia.com Provide demat Account Number and PAN System will authenticate users by sending OTP on registered mobile and email as recorded in the demat Account. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'Philips India Limited' or select KFin. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility. Once logged-in, Members will be able to view e-voting option. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. Click on options available against 'Philips India Limited' or KFin. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

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

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

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

I. Details on #Step I are mentioned below:

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

- A. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVEN" i.e., "Philips India Limited - AGM" and click on "Submit"
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to Scrutinizer at asimsecy@gmail.com and the RTA at evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."
- B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- xiii. Member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
 - xiv. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

2. Details on Step 2 are mentioned below:

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

- i) Members will be provided with a facility to attend the AGM through VC / OAVM platform provided by Kfintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/Kfintech.
- ii) After logging in, click on the Video Conference tab and select the EVEN(EVENT) of the Company.
- iii) Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

13. OTHER INSTRUCTIONS

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will open from 21st September, 2025 (9:00 a.m.) to 22nd September, 2025 (5.00 p.m.) Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will open from 21st September, 2025(9:00 a.m.) to 22nd September, 2025 (5.00 p.m.).
- III. The Company reserves the right to restrict the number of questions and number of speakers.

Facility for joining AGM through VC/ OAVM shall open atleast thirty (30) minutes before the scheduled time for the commencement of the Meeting and shall be allowed till 15 minutes from the commencement of the meeting. The Members will be able to view the proceedings on <https://emeetings.kfintech.com>.
- IV. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- V. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- VI. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at <https://emeetings.kfintech.com/Questions> / queries received by the Company till September 22nd, 2025 shall only be considered and responded during the AGM.
- VII. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- VIII. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- IX. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis. However, the participation of large shareholders, i.e. members holding 2% or more, promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
- X. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.
- XI. 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 to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

- XII. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.
- XIII. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 16th September, 2025, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- XIV. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- (i) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 1. Example for NSDL:
MYEPWD <SPACE> IN12345612345678
 2. Example for CDSL:
MYEPWD <SPACE> I402345612345678
 3. Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - (ii) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - (iii) Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.
- XV. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.
- XVI. KPRISM- Mobile service application by KFin:
- Members are requested to note that, our Registrar and Share Transfer Agents have launched a mobile application - KPRISM and a website <https://kprism.kfintech.com/> for our investors. Now you can download the mobile app and see 10your portfolios serviced by KFINTECH. Check Dividend status, request for annual reports , change of address, change/ update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM". Alternatively you can also scan the QR code given below and download the android application.
- Website - <https://kprism.kfintech.com/>
Play Store - <https://play.google.com/store/apps/details?id=com.kfintech.kprismv3> (Android mobile application)



14. In case of any query pertaining to e-voting, members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of Kfintech's website for e-voting: <https://evoting.kfintech.com> or contact KFin at the email ID evoting@kfintech.com or call KFin's toll free No.: 1800 309 4001 for any further clarifications/ technical assistance that may be required.
15. Members are requested to note the following contact details for addressing e-voting grievances:

Mr. Anil Dalvi (Senior Manager) / Mr. Lokesh Erravelli (Manager)

KFin Technologies Limited

Selenium Tower B, Plot 31 - 32, Gachibowli, Financial District,

Nanakramguda, Hyderabad - 500 032

Telephone: +91 - 40 - 6716 1636, E-mail: einward.ris@kfintech.com.

16. PROCEDURE FOR INSPECTION OF DOCUMENTS:

- I. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on <https://evoting.kfintech.com/>
- II. The Statutory Registers of the Company maintained as per the provisions of the Companies Act, 2013 and required to be kept open for inspection during AGM and will be available for inspection by the Members electronically during the AGM.

17. DIVIDEND RELATED INFORMATION:

- I. The directors do not recommend any dividend for the period ended March 31, 2025
- II. Members are requested to contact KFinTech / Investor Service Department of the Company for encashing the unclaimed dividends standing to the credit of their account.
- III. Pursuant to Section 123 of the Companies Act, 2013 (previously 205A (5) of the Companies Act, 1956), the unpaid dividend that are due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Dividend No.	Date of Declaration	For the year ended	Tentative date for Transfer to IEPF
71.	28.09.2018	31.03.2018	05.11.2025
72.	20.09.2019	31.03.2019	27.10.2026
73.	24.09.2020	31.03.2020	01.11.2027
74.	24.09.2021	31.03.2021	01.11.2028
75.	23.09.2022	31.03.2022	01.11.2029
76.	24.11.2022	31.03.2023	02.01.2030

Pursuant to the provisions of the Companies Act, 2013 and the rules notified thereunder, the Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which have not been encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. The details of the unpaid / unclaimed amounts lying with the Company as on September 23, 2022 (date of last Annual General Meeting) are available on the website of the Company www.philips.co.in

Members are requested to contact Kfin Technologies Ltd. for encashing the unclaimed dividends standing to the credit of their account.

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company/ Registrar and Share Transfer Agent, for obtaining payments thereof at least 30 days before they are due for transfer the said fund.

18. Scrutinizer for AGM through VC/OAVM:

- I. Dr. Asim Kumar Chattopadhyay has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the e-voting as well as remote e-voting process in a fair and transparent manner.
- II. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, submit to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- III. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of Kfintech immediately after the declaration of result by the Chairman or a person authorized by him in writing.

19. GENERAL INFORMATION:

- I. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- II. The voting rights shall be as per the number of equity shares held by the Member(s) as on 16th September, 2025, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date

PHILIPS INDIA LIMITED

DIRECTORS' REPORT

For the financial year ended March 31, 2025

To the Members,

Your Company's Directors are pleased to present the Ninety Fifth (95th) Directors Report of the Company, along with the Audited Annual Accounts for the financial year ended March 31, 2025 (the year').

I. FINANCIAL PERFORMANCE

I.1 RESULTS

	Rs. in Millions	
	2024-25	2023-24
Gross Income	66,306	60,613
Profit before tax	4,480	3,269
Provision for current tax	(1,528)	(889)
Deferred tax – Credit / (Charge)	141	195
Profit after tax	3,093	2,575

I.2 SEGMENT WISE SALES

	2024-25	2023-24
Personal Health	8,066	7,658
Health Systems	32,640	28,338
Innovation Services	23,275	22,719
Services Others	693	659
Total	64,674	59,374

I.3 FINANCE & ACCOUNTS/STATE OF COMPANY AFFAIRS

Your Company witnessed a 37% growth in profit at INR 4,480 million (Profit before Tax) as against INR 3,269 million (Profit before Tax) in the previous year (2023-24). During the year, capital expenditure incurred is INR 1,534 million vis-a-vis INR 6,201 million during the previous year (2023-24) and were towards HIC capacity, PIC new facility and IT equipment etc.

The Company's retained earnings have witnessed an increase of INR 3,140 million from previous financial year (2023-24) which stood at INR 14,321 million. The cash in hand balance at the end of year stood at INR 2,473 million (31 March, 2025) against INR 2,728 million at the end of previous year (31 March, 2024). Due to the modest financial performance and volatility in the industry and to ensure efficient management of operations going forward, the Board of Directors are not recommending any dividends to be distributed.

I.4 ANNUAL RETURN

An extract of the annual return in the prescribed format is uploaded on the Company website at the link mentioned below:

www.philips.co.in/a-w/about/philips-india-limited

I.5 DIVIDEND

The directors do not recommend any dividend for the financial year 2024-25.

2. SHARE CAPITAL

The Authorised Share Capital of your Company is INR 1,120,000,000/- comprising of 92,000,000 equity shares of INR 10/- each and 20,000,000 preference shares of INR 10/- each. The paid-up equity share capital of the Company is INR 575,172,420/- comprising 57,517,242 equity shares of INR 10/- each fully paid-up. There is no change in the authorised share capital and paid-up equity share capital of your Company during the year under review.

The Company is in the process of reducing its issued, subscribed and paid-up equity share capital from the existing shareholders which amounted to INR 575,172,420 (Indian Rupees five hundred seventy-five million one seventy-two thousand four hundred and twenty only) divided into 57,517,242 (fifty-seven million five hundred seventeen thousand and two hundred forty-two) equity shares having a face value of INR 10 (Indian Rupees ten only) each fully paid up, amounting to INR 552,902,420 (Indian Rupees five hundred fifty-two million nine hundred two thousand four hundred and twenty only) divided into 55,290,242 (fifty-five million two hundred ninety thousand two hundred and forty-two) equity shares having a face value of INR 10 (Indian Rupees ten only) each fully paid up, by cancelling and extinguishing 2,227,000 (two million two hundred twenty-seven thousand) equity shares having a face value of INR 10 (Indian Rupees ten only), in aggregate, constituting 3.87% of the total issued, subscribed and paid-up equity share capital of the Company held by all the equity shareholders of the Company other than Koninklijke Philips N.V. and Philips Radio B.V. Pursuant to the approval of the Board at its meeting held on October 31, 2023 and shareholder's approval by way of special resolution passed through postal ballot on December 09, 2023, Company petition was filed with National Company Law Tribunal ("NCLT"), Kolkata. NCLT vide its order dated September 19, 2024, rejected the aforesaid petition. The Company subsequently filed an appeal before the NCLAT. Currently, the matter is pending for approval with NCLAT.

During the year under review, the Company has never issued any convertible securities / shares with differential rights (as to dividend, voting or otherwise) / sweat equity shares / warrants.

3. TRANSFER TO RESERVES

During the financial year 2024 -25, your Company has not proposed any transfer to General Reserve.

4. DEPOSITS

Your Company has not accepted/renewed any deposits from the public during the year.

5. BUSINESS PERFORMANCE

The Notes to the Profit and Loss Account for the year provide segment results. The required disclosure is made below for the Personal Health, Innovation Services and Health Systems business of your Company.

5.1 HEALTH SYSTEMS

During the year 2024-25, the Health Systems business of your Company delivered a strong performance considering the various headwinds on account of the global macro-economic scenario. Health Systems primarily focuses on selling and distributing healthcare products and services, as well as contract manufacturing and contract R&D for Philips in India.

The Company's market share within the addressable market has declined compared to the previous year. In light of global macroeconomic challenges, the Company continues to navigate headwinds arising from inflation, adverse currency movements, and supply chain disruptions driven by regulatory factors. Adopting a balanced portfolio strategy, the Company has consciously prioritized sustaining profitability, even as this has resulted in market share decline in select categories.

With the launch of MR 5300 in 2021, Philips continues to be the only player with a Wide Bore, Helium free system addressing the needs of bariatric patients and attending to the rising helium shortage being faced globally. We installed Premium 3T system MR 7700 in IISER Berhampur – first such installation in the country. We are also installing Premium CT 7500 in Tata Memorial Center ACTREC Spectral detector CT system which ensures users have high spectral image quality without any additional dose.

Philips showcased latest Radiology and informatics solutions in the 23rd Asian Oceanian Congress of Radiology (AOCR) 2025 and started offering to Indian customers.

- I. Smart Speed - Among several new AI-enhanced MR innovations showcased at AOCR 2025 are Philips Smart Speed, designed to speed up image acquisition and enhance image quality and diagnostic confidence for every patient, and the Company's new MR Workspace with AI assistance, which delivers an intuitive solution to simplify the path from image acquisition to diagnosis to help improve MR workflow and staff experience.

2. CT 5300 – Philips launched CT-5300 in India which is a groundbreaking advancement in computed tomography (CT) imaging and one of the first fully AI powered 128 slice system with a nano-panel precise detector made for AI. With cutting-edge AI features like AI reconstruction, AI cardiac motion correction & AI smart workflows, CT-5300 is designed to enhance diagnostic accuracy coupled with high speed. The Philips CT-5300 combines unparalleled image clarity with exceptional speed and low radiation exposure, empowering clinicians to make more accurate diagnoses faster. Engineered for versatility, it is ideal for use in a wide range of clinical settings—from cardiology, oncology, neurology diagnosis & screening to emergency rooms. The system integrates virtual tools for real-time collaboration and clinical/technical support, which can be instrumental in overcoming challenges related to increased patient caseloads, complex cases and staff shortages.
3. Advanced Visualization Workspace (AVW 15): The Philips Advanced Visualization Workspace 15 (AVW 15) is an intelligent, automated and connected image post-processing platform designed to enhance diagnostic confidence while optimizing workflows and reducing reporting time. This scalable and comprehensive solution seamlessly integrates within enterprise systems, enabling healthcare providers to perform advanced analysis and follow-up with precision, even in complex settings. By leveraging AI-driven tools and automation, AVW 15 streamlines repetitive tasks, improves collaboration, and ensures seamless connectivity across imaging systems and healthcare IT infrastructure. Its advanced capabilities empower clinicians to deliver accurate, timely diagnoses, ultimately improving patient outcomes and operational efficiency.

The above products help position Philips as a leading innovation focused healthcare Company in the market.

Your Company's manufacturing at Healthcare Innovation Centre (HIC), Pune, are delivering world-class "Make in India" medical equipment. A prime example of the above being the Affiniti series of Ultrasounds (Affiniti 30, Affiniti 50, Affiniti 70).

Your Company has implemented a robust strategy for being a strong player and growing sustainable with profit.

5.2 PERSONAL HEALTH

India's GDP growth remained resilient at an estimated 6.5% in FY 2024–25, despite ongoing global uncertainties and trade-related disruptions. The economy was supported by domestic consumption, sustained infrastructure investments, and a stable macroeconomic environment. Looking ahead, GDP growth is projected at 6.6% for FY 2025–26, supported by tax-driven consumer spending and solid domestic fundamentals, even as geopolitical tensions and global trade headwinds continue to pose challenges.

In FY 2024–25, the Personal Health business recorded a growth of 6.3% over the previous year, driven by a sharp focus on customer-centric initiatives and enhanced sell-out performance. While the business faced intense competition from low-cost players in core categories and disruption from emerging product segments, the rapid rise of the quick commerce channel played a pivotal role in bridging market gaps and improving consumer reach.

Amidst the volatility and challenges of 2024-25, your Company has persisted in its commitment to innovation, exemplified by the launch of a new range of products like 2 in1 Airstyler which is the fastest growing segment in hair care. We did an exclusive launch in Blinkit backed by key differentiated claims for our Airstyler and captured significant market share in month 1 of launch. Since then, it has been launched across platforms and modern trade, and our product continues to get strong traction from consumers. Our male grooming portfolio via One blade and trimmers continues to grow from strength to strength coupled with cementing our brand trust with mothers through our Philips Avent portfolio (Breast Pumps, Sterilizers etc.)

We have become a 100% digitally native brand with significant presence across consumer touch points on Social/Digital, OTT, CTV, UGC. We continue to partner with top influencers and celebrities like Virat Kohli and Alia Bhatt to drive relevance for our portfolio across the country. We have executed multiple campaigns that have been successful in winning the mind space of consumers which further resulted in us winning coveted awards across our Male grooming and Mother & Child care portfolio.

	Category	Award
ET Brand Equity DigiPlus Awards	Best Moment Marketing Campaign for Philips Avent: Breastfeed Your Way	Gold
ET Brand Equity DigiPlus Awards	Best Content for Brand Building for Philips Avent in Conversation with New Moms	Gold
Effie India Awards	Integrated Advertising Campaign: Products - Philips OneBlade	Bronze
Effie India Awards	Influencer Marketing - Philips All in One - Barber Ke Barabar	Bronze

Your Company's strategic vision is to create a sustainable business focused on long term value creation, with a range of products that are developed with consumer behavior at the core. To achieve this, your Company will continue to remain agile in a highly dynamic environment, enhancing consumer experience and driving market growth to deliver value for our consumers and shareholders. We will also expand our portfolio with India relevant offerings and embrace digital innovation to remain competitive against new entrants and low-cost players, while maintaining our leadership brand preference position amongst consumers.

5.3 PHILIPS INNOVATION CAMPUS

Philips Innovation Campus, Bengaluru (PIC-B) established in 1996 as a software development Centre for Royal Philips, hosts 4200+ employees working on software development for products across the healthcare continuum to improve people's health.

The Centre develops clinically relevant software products and solutions across the health continuum starting with healthy living, disease prevention to diagnosis, treatment and homebased care.

Creating experience-centric products and service innovations, Philips Innovation Campus, Bengaluru has dedicated teams focused on harmonizing software through a common platform approach. The software development enhance global advancements in common platforms for various products in Precision Diagnosis, Image Guided Therapy, Connected Care, and Personal Health businesses.

PIC-B is also playing an important role in addressing societal healthcare challenges by leveraging the ecosystem and combining the strength of Philips Group to co-create patient centric healthcare software solutions.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company was in the process of reducing its issued, subscribed and paid-up equity share capital by cancelling and extinguishing 2,227,000 (two million two hundred twenty-seven thousand) equity shares constituting 3.87% of the total issued, subscribed and paid-up equity share capital of the Company. NCLT vide it's order dated September 19, 2024 rejected the aforesaid petition. The Company subsequently filed an appeal before the NCLAT which is still pending. As stated above, the matter is pending in NCLAT.

There are no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which financial statements relate and the date of the report.

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

During the year, there is no significant and material orders passed by regulators, Courts or Tribunals impacting the going concern status of the Company and its operations in the future except order passed by NCLT in relation to reduction of share capital.

8. DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES

During the year, the Company did not have any subsidiary, joint venture or associate Company.

9. BUSINESS RESTRUCTURING OR CHANGE IN THE NATURE OF BUSINESS

There was no Business Restructuring done during the financial year 2024-2025 except for a pending application for capital reduction with NCLAT Delhi. Further, during the financial year 2024-25 there was no change in the nature of business of the Company.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Composition of Board of Directors of the Company on the date of this report are as follows:

Name of the Director	Designation	DIN
Angarai Dorairajan Aditya Ratnam	Non-Executive Independent Director	05296020
Geetu Gidwani Verma	Non-Executive Independent Director	00696047
Indu Ranjit Shahani	Non-Executive Independent Director	00112289
Bharath RamRaman Sesha	Managing Director	01983066
Dev Kumar Tripathy	Whole - Time Director and Chief Financial Officer	10373357
Harish Chawla	Whole - Time Director	07958339

Pursuant to the provisions of Section 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the following are the Key Managerial Personnel of the Company on the date of this report:

Name	Designation
Bharath Ram Raman Sesha	Managing Director effective from September 01, 2024
Dev Kumar Tripathy	Whole-Time Director and Chief Financial Officer effective from December 15, 2023 and October 31, 2023, respectively
Harish Chawla	Whole - Time Director effective from July 18, 2024
Swati Batra	Company Secretary effective from September 18, 2024

During the year, the following changes had taken place in the constitution of Board of Directors of the Company:

1. Mr. S.M. Datta (DIN: 00032812) resigned from the position of Independent Director and Chairperson of the Company with effect from the close of business hours of July 17, 2024.
2. Mr. Daniel Mazon (DIN: 07954025) resigned from the Board and Managing Director of the Company with effect from the close of business hours of July 17, 2024.
3. Mr. Angarai Dorairajan Aditya Ratnam (DIN: 05296020) was appointed as an Additional Director in the capacity of an Independent Director of the Company and Chairperson of the Board with effect from July 18, 2024 and was regularized in the Annual General Meeting held on September 27, 2024.
4. Mr. Harish Chawla (DIN: 07958339) was appointed as an Additional Director and Whole-Time Director of the Company with effect from July 18, 2024 and was regularized in the Annual General Meeting held on September 27, 2024.

5. Mr. Bharath Ram Raman Sesha (DIN 01983066) was appointed as an Additional Director and Managing Director of the Company with effect from September 01, 2024 and was regularized in the Annual General Meeting held on September 27, 2024.
6. Ms. Indu Ranjit Shahani (DIN 00112289) has been appointed as an Additional Director in the capacity of an Independent Director of the Company with effect from March 05, 2025.
7. Ms. Swati Batra was appointed as the Company Secretary of the Company with effect from September 18, 2024.

Subsequent to the close of the Financial Year to the date of this report, there has been no change in the constitution of Board of Directors of the Company

Further, the Board of Directors of the Company, upon the recommendation of the Nomination and Remuneration Committee, recommended the appointment of Mr. Dev Kumar Tripathy (10373357), as Director whose tenure is liable to retire by rotation and being eligible, he has offered himself for re-appointment.

The Board, upon the recommendation of Nomination and Remuneration Committee, has recommended the appointment of following Directors at the ensuing Annual General Meeting of the Company:

Name	Proposed Appointments
Indu Ranjit Shahani	Non-Executive Independent Director

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year 2024-25, 5 (five) Meetings of the Board were held viz. on July 17, 2024, August 07, 2024, September 18, 2024, November 22, 2024 and March 04, 2025, which were attended by all the Directors. No leave of absence was requested for any of the meetings held during the year by any Director.

12. BOARD EVALUATION

The Nomination and Remuneration Committee of the Company has a robust framework for evaluation of the Board, Committee and individual directors. The Board had carried out an evaluation of its own performance, Board Committees and Individual Directors, on an annual basis, pursuant to the provisions of the Act. A detailed questionnaire was circulated to all the directors, responses were analyzed, and results were discussed by the Board.

13. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In a separate meeting of the Independent Directors held on November 22, 2024, performance of Non- Independent Directors and performance of the Board as a Whole was evaluated, performance of the Chairperson of the Company were reviewed and the quality, quantity and timeliness of flow of information between the Company management and the Board necessary to effectively and reasonably perform their duties. The discussion was also made upon the Committees of the Board and Individual Directors of the Company.

14. COMMITTEES OF THE BOARD

14.1 AUDIT COMMITTEE

The Board has constituted an Audit Committee in terms of Section 177 of the Companies Act, 2013. During the year, there has been a change in the constitution of the Audit Committee. At the end of the financial year i.e. on March 31, 2025, the Audit Committee comprised of the following members:

• Mr. Angarai Dorairajan Aditya Ratnam, Non-Executive Independent Director	Chairperson
• Mr. Dev Kumar Tripathy, Whole Time Director and Chief Financial Officer	Member
• Ms. Geetu Gidwani Verma, Non-Executive Independent Director	Member

Subsequent to the close of the year, there was no change in the constitution of the Audit Committee till date. Audit Committee of the Board is responsible for monitoring and providing an effective supervision of the management's financial reporting, recommendation to the Board of related party transactions, granting omnibus approval, to ensure accurate and timely disclosures, with highest levels of transparency, approval of financial statements, recommending the appointment, re-appointment, remuneration and terms of appointment of auditors, review auditors independence and approval of payment for any other services rendered by statutory auditors, cost auditors, reviewing the annual financial statements before submission to the Board for approval.

During the year, the Committee conducted its 4 (Four) meetings viz. on July 17, 2024, August 07, 2024, November 22, 2024 and March 04, 2025. All the meetings were attended by all the members of the Committee. No leave of absence was requested for any of the meetings held during the year by any Committee Member.

During the year, there was no such instance that the Board has not accepted any recommendation of the Audit Committee.

Mr. Angarai Dorairajan Aditya Ratnam attended the Annual General Meeting of the Company held on September 27, 2024, to Chair the Meeting and to respond to the shareholders' queries.

14.2 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee was set up to oversee the Corporate Social Responsibility referred by the Board or the Chairperson, as and when deemed necessary, for the consideration and recommendation of the Committee. The Committee adopted a Corporate Social Responsibility (CSR) policy to perform the role of Corporate Social Responsibility Committee under Section 135 of the Companies Act, 2013 which includes formulating and recommending to the Board about the activities to be undertaken by the Company as per Schedule VII to the Companies Act, 2013 and the amount of expenditure to be incurred on the same. The CSR Policy is available on the website of the Company.

During the year, there has been a change in the constitution of the Corporate Social Responsibility Committee. At the end of the year, i.e. on March 31, 2025, the Corporate Social Responsibility Committee comprised of the following members:

• Ms. Geetu Gidwani Verma, Non-Executive Independent Director	Chairperson
• Mr. Dev Kumar Tripathy, Whole-Time Director and Chief Financial Officer.	Member
• Mr. Harish Chawla, Whole-Time Director	Member

During the year, the meetings of the Committee were held 4(Four) times i.e. on May 13, 2024, August 07, 2024, November 06, 2024 and March 04, 2025, which were attended by all the Directors. No leave of absence was requested for any of the meetings held during the year by any Committee Member.

Your Company was engaged in Corporate Social Responsibility (CSR) Projects, during the year 2024-25, the details of which are set out in Annual Corporate Social Responsibility report attached as **Annexure-I** to this Board's report. All the requisite amount was spent during the year.

14.3 STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee was constituted by the Board in terms of Section 178 of the Companies Act, 2013. During the year, there were changes in the constitution of the Stakeholders' Relationship Committee. At the end of the year i.e. on March 31, 2025, the Stakeholders' Relationship Committee comprised of the following members:

• Mr. Angarai Dorairajan Aditya Ratnam, Non-Executive Independent Director	Chairperson
• Mr. Bharath RamRaman Sesha, Managing Director	Member
• Mr. Harish Chawla, Whole-Time Director	Member
• Mr. Dev Kumar Tripathy, Whole-Time Director and Chief Financial Officer	Member

During the year, the meetings of the Committee were held on July 17, 2024, November 22, 2024 and March 04, 2025, attended by all the Directors. No leave of absence was requested for the meetings held during the year by any Committee Member.

14.4 NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee covers the areas as contemplated under Section 178 of the Companies Act, 2013, which are inclusive in the terms of references as approved by the Board in its meeting held on March 04, 2025 and any other term as may be referred by the Board of Directors, from time to time. At the end of the year i.e. on March 31, 2025, the Nomination and Remuneration Committee comprised of the following members:

• Mr. Dev Kumar Tripathy, Whole-Time Director and Chief Financial Officer	Chairperson
• Mr. Angarai Dorairajan Aditya Ratnam, Non-Executive Independent Director	Member
• Mr. Bharath Ram Raman Sesha, Managing Director	Member
• Ms. Geetu Gidwani Verma, Non-Executive Independent Director	Member
• Ms. Indu Ranit Shahani, Non-Executive Independent Director	Member

Subsequent to the close of the year, there was change in the constitution of the Nomination and Remuneration Committee, the revised composition of the Committee is as follows:

• Ms. Indu Ranit Shahani, Non-Executive Independent Director	Chairperson
• Mr. Angarai Dorairajan Aditya Ratnam, Non-Executive Independent Director	Member
• Ms. Geetu Gidwani Verma, Non-Executive Independent Director	Member

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Determining the composition of the Board of Directors and the Committees of the Board.
- Identifying persons who are qualified to become Directors, Key Managerial Personnel and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes, and independence of a director.
- Carry out evaluation of the Board, its Committees and every Director's performance in accordance with the criteria for evaluation.
- Specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- Formulate compensation policies for Whole-Time Directors including Chairperson of the Company, CEO, Key Management Personnel, Senior Management personnel and other employees, in such a manner to attract and retain talent.
- Ensuring orderly succession planning for Board members, Key Managerial Personnel and Senior Management.
- Formulate, adopt, administer, enforce, and modify the employee stock option schemes.
- Performing such other duties and responsibilities as may be consistent with the provisions of the Company's terms of reference.

During the year, the meetings of the Committee were held 4 (Four) times i.e. on July 17, 2024, August 07, 2024, September 18, 2024 and March 04, 2025, which were attended by all the Directors. No leave of absence was requested for any of the meetings held during the year by any Committee Member.

15. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received a declaration from all the Independent Directors of the Company confirming that they continue to meet the criteria of Independence laid down under Section 149 of the Companies Act, 2013.

16. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company remains committed to maintaining internal controls designed to safeguard the efficiency of operations and security of its assets. Accounting records are adequate for the preparation of financial statements and other financial information. Through its internal audit processes at the sectoral and corporate levels, both the adequacy and effectiveness of internal controls across your Company's various businesses and compliance with laid-down systems and policies are regularly monitored. A trained internal audit team also periodically validates the major IT-enabled business applications for their integration, control and quality of functionality.

During the year, the Audit Committee of the Board considered and reviewed internal control systems as well as financial disclosures.

17. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in their design or operation was observed.

18. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your organization is steadfast in its mission to enhance the lives of 2.5 billion people per year by 2030, reinforcing the commitment to be the best place to work. In 2024-2025, strategic efforts were focused on fostering a dynamic workforce to deliver superior, long-term value to all stakeholders. This effort is underpinned by a commitment to act responsibly towards the planet and society. Your organization's strategic workforce plan aims to build a talent pool and grow future capabilities by hiring effectively, deeply knowing, guiding, and developing your people. Your organization is also aiming to create an inspiring environment by embedding a refreshed culture and developing leadership that exemplifies human, authentic, and uncompromising guidance. Moreover, your organization continues to simplify and refine operational practices to efficiently meet market demands.

Grow Our People

In 2024-25, your organization committed to building capabilities for both leaders and employees, raising the bar in leadership and personal growth.

The establishment of Catalyst, a Community of Practice for People Leaders in the ISC Zone, focused on building people leaders of the future. Monthly People Leader Connect sessions focused on key talent conversations like team development, performance management, etc., with over 250 leaders participating regularly. Your organization continues to invest in building first-level leaders, inducting approximately 160 new leaders each year by leveraging the Catalyst Group, sharing content like the Watercooler Series, New People Leader Orientation, & people function handbook. Over 45 License to Hire training sessions were conducted across India, reaching 600+ participants, including 52% of People Leaders trained in refreshing their interviewing skills.

With a special focus on encouraging and developing internal talent to take on diverse and bigger roles, your organization filled 39.8% of job requisitions with internal talent & increased internal mobility significantly compared to the previous year. Your organization further built on its capabilities by hiring more than 29.5% of talent from MedTech organization, which helped embed a culture of patient safety & quality across the organization. Your organization is also dedicated to nurturing the commercial leaders of tomorrow by systematically enhancing development across all commercial functions and levels. Talent dialogues were held aimed at improving succession planning at the leadership level. The 'Grow from Within' initiative led to nearly 40% of commercial roles and about 75% of Health Systems leadership positions being filled internally.

Your organization embraced the future of work with the launch of 87 gigs in the Indian Subcontinent. Gigs are flexible development opportunities that your employees undertook alongside their current role, empowering them to build meaningful careers while strengthening collaboration and creating a competitive advantage for your organization.

Philips Innovation Campus (PIC), with its deep Artificial Intelligence and healthcare domain expertise, is ideally placed to draw upon the rich local ecosystem to accelerate innovation and provide technological propositions for the health and well-being of people across the world. To build and sustain this multigenerational workforce, your organization continues

to leverage its Community of Practitioners (CoP), focusing on the Data and AI community, Architects community, Project and Program Management community, Product Management community, Systems Software community, and People Leaders, where ~50% of employees participated through various programs in CoP. Your organization continues to provide leadership development opportunities and strengthen its leadership resilience through a custom-designed "Elevate: The Leadership Journey." 15 Top Talent in Director-level positions were engaged through a 9-month leadership journey called "Elevate". The program was designed to strengthen their leadership capabilities through a series of targeted interventions, culminating in the development of strong hypotheses and actionable solutions to live business challenges sponsored by senior business leaders.

Get Ready for Opportunities @ Work (GROW), the first-ever 'Women in Tech' Program at your organization's level, aims to improve the representation of women in senior technical leadership roles. Your organization upskilled over 1,000 PIC employees in NextGen technologies to reduce the skill gap within the business. Over 100 women employees were deployed on BU problems to gain hands-on experience resulting in productivity gain. 22 torch-bearing women technical leaders were recognized for being role models for women employees at PIC, while 60+ mentees received valuable guidance from 19 expert mentors during speed mentoring sessions. Your organization also registered under NAPS (National Apprentice Promotion Scheme) hiring 157 Apprentices (B.Tech & M.Tech) in 2024-25.

The "Own Your Career" initiative saw over 3,000 attendees at the third edition of Talent Fest, while the Employee Growth Story contest on Viva Engage generated over 10,000 interactions. Physical Talent Kiosks were set up across all locations, educating employees on talent levers such as Talent Card, Gig, and IDP.

Ignite our Culture

This year, your organization activated a culture shift by embedding a refreshed focus on winning through creating an impact with care. Consistent & focused efforts were made to cultivate a workplace that fosters belonging through intentional Inclusion and Diversity practices, enhancing engagement and well-being. Across all sites, culture orientation sessions for site leadership were conducted to ensure consistent communication, cascade to the downstream organization & integration into daily interactions. Culture Chronicles, an initiative, was launched where leaders shared personal stories based on the eight culture questions, fostering authenticity and personal connection to the values. Culture framework was also carefully integrated into onboarding processes ensuring "Impact with Care" is communicated from day one. Across the Indian Subcontinent, 58% of people leaders facilitated culture sessions with their teams.

Your organization's annual awards that bring together all India sites were also rebranded as the Impact Awards 2025, aligning more closely with your culture of Impact with Care. The euphoria of celebration brought together your teams across India with over 2,100+ joining in-person and virtually, making it a truly national celebration! The Impact awards received 70+ nominations and 650+ passionate participants across 8 award categories. New celebration moments, like People Pulse Award and India Superstars 2025, were introduced to continue celebrating impact, care, talent, and team spirit.

Family and community engagement initiatives have been pivotal in strengthening workplace bonds and fostering a sense of unity and belonging within your organization. Your organization hosted Family Day at the Chakan manufacturing plant, inviting the families of MR coil engineers—now proud full-time employees, to celebrate the successful completion of their training. Such celebrations are crucial in fostering long-term engagement and retention, particularly among Gen Z talent, and they highlight your organization's steadfast commitment to maintaining healthy and inclusive employee relations, reflecting a culture of care and recognition. Continuing this trend, your organization organized Kid's Office Adventure Day with MoS R&D welcoming 256 attendees and also hosted the CT/AMI Philips Family Day at Chakan. These events featured interactive booths showcasing Philips' legacy, X-ray physics, and C-ARM systems, engaging games for children, creative tattoo booths, and a Gemba walk through the labs, shop floor, and factory, and a unique Simulation Lab, where children engaged in hands-on learning through clinical scenario demonstrations using phantoms. These events provided a unique opportunity for family members to witness firsthand the workplace and achievements of their loved ones, reinforcing connections between employees and the organization.

Your organization continues to put great emphasis on the Health & Well-being of its employees. To ensure consistent and engaging employee experience, your organization launched a structured 10-week Wellness Challenge, focusing on holistic well-being through a multi-dimensional approach. This initiative spanned across Nutrition, Fitness, and Mental Wellness,

offering employees a wide array of activities and resources to enhance their lifestyle. This structured and gamified approach to wellness not only promoted physical health but also addressed mental and emotional well-being, reinforcing your organization's commitment to creating a culture of care. Your organization ensures that its employee benefits and offerings stay competitive with respect to the market, hence attracting and retaining the right talent throughout the year. This is done with regular market benchmarking and pay structure review exercises by the People Function.

Your organization maintained a gender diversity ratio of 29%, driven by targeted initiatives to attract, engage, and retain women talent. Recognition came externally, as Philips was named one of the top 25 Companies excelling in Science, Technology, Engineering, and Mathematics (STEM) for women at the inaugural CII Awards for Excellence in Women in STEM 2024. Moreover, your organization earned a Silver Award from the India Workplace Equality Index for nurturing an inclusive environment for the LGBTQ+ community. During the year ended March 31, 2025, the company reported 1650 female and 4182 male employees.

These achievements were reflected in employee surveys, where 81% of respondents in Aon's Voice of Women Survey acknowledged witnessing concrete diversity and inclusion efforts within your organization. Significant progress was seen in key Diversity & Inclusion (D&I) metrics, including increased female leadership hiring, campus recruitment, and inclusive hiring practices for LGBTQ+ individuals and persons with disabilities (PwD). An interactive session with Indra Nooyi, Supervisory Board Member of Royal Philips, was among several impactful initiatives hosted by your Employee Resource Group, India Philips Women Lead (IPWL), which continues to foster leadership, wellbeing, professional development, and an inclusive culture.

Simplify how we work

In 2024-25, your organization embraced a strategy of simplification, leveraging technology to optimize operations and enhance efficiency across functions. Your organization has taken substantial steps towards optimizing operations by leveraging technology and automation across the employee lifecycle. These advancements are aimed at streamlining internal processes, ultimately enhancing overall efficiency. The team continues to harness technological advancements to create more agile and responsive workflows. Additionally, all initiatives have been strategically focused on enhancing the experience for your employees, ensuring that projects are tailored to meet the needs of employees while driving organizational success. For instance, the Separation 2.0 project represents a significant improvement in managing employee transitions, making the process more seamless and less time-consuming. Additionally, the automation of payroll input demonstrates your commitment to precision and efficiency in handling employee remuneration. Your employees are encouraged and empowered to use the self-service model, and your organization ensures that all information is provided to them on one platform for easy accessibility. These projects are part of your broader strategy to create a more responsive and adaptive work environment, where technology serves as a cornerstone for continuous improvement. External recognition of the "Best Automation Adoption Award" at the 14th Edition of the Shared Services Summit & Awards organized by UBS is a testament to the strategic focus on enhancing operational workflows through technology. The successful completion of an external audit at the Pune factory, with no major observations, underscores robust compliance standards and strong internal controls.

To build a robust performance culture within your organization, engaging workshops were organized focused on managing underperformance, supported by an enhanced yet simplified Performance Improvement Policy tailored for India. This policy aims to offer vital support and guidance to managers and employees, ensuring everyone can thrive and succeed.

Your organization remains steadfast in the pursuit of excellence, and these efforts reflect your unwavering dedication to providing a supportive, and empowering workplace for all employees.

Throughout 2024-2025, strategic HR initiatives reinforced Philips' dedication to nurturing a future-ready, inclusive, and high-performing organization. By empowering employees, nurturing leadership, fostering cultural engagement, and driving operational excellence, your organization aims to deliver sustainable value to all stakeholders. These efforts ensure your organization continues to adapt to market demands with innovative, people-centered solutions, upholding its status as a leader in impacting lives globally.

19. CONSERVATION OF ENERGY, FOREIGN EXCHANGE OUTGO AND TECHNOLOGY ABSORPTION

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

20. ENVIRONMENT, ENERGY, OCCUPATIONAL HEALTH & SAFETY

The Company's Health Innovation Campus (HIC) has been actively involved in implementing Philips Eco Vision program. Safety of employees is the foremost concern at HIC and working towards providing a safe and accident-free working environment is a culture here. Regular training and awareness sessions are carried out on Behaviour Based Safety (BBS), Machine Safety for the employees to achieve zero accidents in the factory. National Safety and World Environment Day are celebrated every year in the plant to spread awareness.

21. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of Loans, Guarantees and Investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statements, which in turn forms part of the Company's Annual Report.

22. RELATED PARTY TRANSACTIONS

Information on transactions with related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure III** in Form AOC-2 and the same forms part of this report.

23. STATEMENT OF RISK MANAGEMENT

Your Company's risk management approach is embedded in the areas of corporate governance, Philips Business Control Framework and Philips General Business Principles and Risk Management framework. Your Company strives to create a balance of sustainable growth and resource efficiency and hence to cater to its growth path, build resilience and take timely action, potential business risks and opportunities are identified and assessed. Mitigation actions are actively monitored through regular cadences and by ensuring compliance with legal and financial requirements.

24. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (3)(c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge, confirm that:

- i. In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanations relating to material departures,
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the profit of the Company for the year ended March 31, 2025,
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities,
- iv. The Directors have prepared the annual accounts on a going concern basis,
- v. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively,

25. AUDITORS

At the Annual General Meeting of the Company held on September 24, 2021, M/s S.R. Batliboi & Co. LLP, Chartered Accountants had been re- appointed as Statutory Auditors of the Company, for a further period of 5 years. Vide notification dated May 07, 2018, issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of

Statutory Auditors by members at each Annual General Meeting has been done away with. Accordingly, no such item has been considered in notice of the Ninety Fifth (95th) Annual General Meeting of the Company.

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Statutory Auditors were present in the last AGM.

26. COST AUDITORS AND COST RECORDS

Your Company is required to carry out an audit of the Company's cost accounts in respect of healthcare equipment. Pursuant to the provisions of Section 148 of the Companies Act, 2013, your Directors have approved the appointment of M/s Nanabhoy & Company, a firm of cost accountants, to conduct the Cost Audit for the year ending March 31, 2026, at a remuneration of INR 874,000 (Indian Rupees Eight Lakh Seventy-Four thousand only) plus applicable taxes and out of pocket expenses, subject to the confirmation of such remuneration by the members of the Company at its Annual General Meeting.

Cost Audit Report for the financial year 2024-25 does not contain any qualification, reservation, disclaimer or adverse remark.

The Company has maintained the prescribed cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.

27. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors had appointed Mr. Ashok Tyagi Company Secretary in Practice as Secretarial Auditors of the Company for the financial year 2024-25. The secretarial auditors have submitted their report confirming that all the compliances are made in a duly manner. The copy of the report is attached as **Annexure IV** to this report.

28. PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

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

29. ONE TIME SETTLEMENT WITH ANY BANK OR FINANCIAL INSTITUTION

The Company has not entered into any one-time settlement with Banks or Financial Institutions; therefore, there was no reportable instance of difference in amount of the valuation.

30. EMPLOYEE STOCK OPTIONS SCHEME

The Company has neither approved any Stock Options Scheme during the year nor is there any Stock Option Scheme subsisting from previous years.

31. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company adhered to the provisions of SS-1 and SS-2 issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs, relating to meetings of the Board of Directors and General Meetings, respectively have been duly complied by the Company, during the financial year 2024- 25.

32. COMPLIANCE OF THE PROVISIONS OF THE MATERNITY BENEFIT ACT, 1961

During the period under review, the Company was in compliance of the provisions relating to the Maternity Benefit Act, 1961.

33. PREVENTION, PROHIBITION AND REDRESSAL AGAINST SEXUAL HARASSMENT OF WOMEN EMPLOYEES AT WORKPLACE POLICY

In compliance of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ("Act"), Philips circulated the Prevention, Prohibition and Redressal against Sexual Harassment of Women Employees at Workplace

Policy ("Policy"). The Company has, accordingly, established a Core Complaints Redressal Committee at the Corporate Office in Gurugram and Site Complaint Redressal Committees in Pimpri, Chakan, Bangalore, Mumbai, Chennai and Kolkata.

During the year, the Company received three complaints of sexual harassment. All complaints were duly investigated, and appropriate actions were taken and resolved timely. Further trainings were conducted to increase the awareness of employees.

ACKNOWLEDGEMENT

The Directors thank the Customers, Vendors, Investors and Bankers for their continued support during this year. We appreciate the contribution made by our employees at all levels. The growth of the Company is made possible by their hard work, solidarity, co-operation and support. The Directors also thank the Government of various countries, Government of India, the governments of various states in India and concerned government departments/ agencies for their co-operation.

The Directors appreciate and value the contributions made by every member of the Philips family.

On behalf of the Board of Directors
For Philips India Limited

Place : Gurugram
Date : August 05, 2025

Angarai Dorairajan Aditya Ratnam
(Chairman)
DIN: 05296020

ANNEXURE -I

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

1. Brief outline on CSR Policy of the Company

Philips's CSR initiatives are centred around addressing healthcare issues with emphasis on the well-being of women, children and adolescents. The Company is committed to fostering healthy lifestyles and promoting preventive healthcare to improve access to quality medical services for underserved communities. This focus aligns with Philips's broader mission of contributing to the United Nations Sustainable Development Goals.

During the reporting year, the Company's CSR efforts primarily aimed to enhance maternal, child and adolescent health, while also expanding healthcare access for economically disadvantaged populations. Key initiatives included increasing the availability of affordable healthcare services, deploying mobile medical units and launching health awareness campaigns in communities. The Company also supported programs for treating cardiac conditions in both children and adults. In the realm of education and digital empowerment, Philips India donated laptops, helping graduate and postgraduate students build essential digital competencies and improve academic outcomes. The Company developed robust systems for tracking and reporting these initiatives, ensuring transparency and accountability in areas such as heart surgeries, primary healthcare access and digital education.

Philips India works in collaboration with several NGOs—including Smile Foundation, Rotary Bangalore, ZMQ, Kalinga Institute, and Diya Foundation—adopting a strategic and holistic approach to ensure that its CSR initiatives deliver measurable and meaningful impact. The detailed CSR Policy of the Company is publicly available on its website at the following link:

https://www.philips.co.in/a-w/about/philips-india-limited.html#slide_corporate_social_responsibility

2. Composition of the CSR Committee.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Geetu Gidwani Verma	Chairperson and Independent Director	4	4
2.	Daniel Mazon*	Managing Director	1*	1
3.	Mr. Harish Chawla	Whole-Time Director	3*	3
4.	Mr. Dev Kumar Tripathy	Whole-Time Director and Chief-Financial Officer	4	4

Note: *The Committee was re-constituted w.e.f. July 18, 2024, to induct Harish Chawla as its member in place of Daniel Mazon who resigned from the Board and Committee.

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

Details of the Philips CSR Policy are available on the below given link:

CSR Project: https://www.philips.co.in/a-w/about/philips-india-limited.html#slide_composition_board_committees

CSR Policy:- https://www.philips.co.in/a-w/about/philips-india-limited.html#slide_corporate_social_responsibility

CSR Committee:- https://www.philips.co.in/a-w/about/philips-india-limited.html#slide_composition_board_committees

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

Not Applicable

5. 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, if any

(a) Average net profit of the Company as per sub-section (5) of section 135.

Rs. 3,064,000,000

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135.

Rs. 61,993,333

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

NA

(d) The amount required to be set off for the financial year, if any.

NA

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

Rs. 61,993,333

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

Rs. 59,083,274

(b) Amount spent on Administrative Overheads.

Rs. 2,850,059

(c) Amount spent on Impact Assessment, if applicable.

Not applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)].

Rs. 61,933,333

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

Total Amount Spent for the Financial Year (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
61,933,333	NA	NA	NA	NA	NA

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

Sl. No.	Particular	Amount (in INR)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	61,933,333
(ii)	Total amount spent for the Financial Year	61,933,333
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NA
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NA

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

I	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)	Amount Spent in the Financial Year 2024-25(in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer		
I	FY-22-23	12,200,000	Nil	12,200,000	NA	NA	NA	NA

PHILIPS INDIA LIMITED

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

Yes ☒ No

If yes, enter the number of Capital Assets created/ acquired 120

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of Entity/ Authority/ Beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
I	Kalinga Institute of Social Sciences- 120 refurbished laptops Kalinga Institute of Social Sciences: Plot No. 540 / 1722 / 2847. Pathara, PO. - KIIT, Bhubaneswar, Orissa ,751024	Orissa, 751024	September 15, 2024	1,130,346	CSR00000319	Kalinga Institute of Social Sciences	Plot No. 540 / 1722 / 2847. Pathara, PO. - KIIT, Bhubaneswar, Orissa 751024

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

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

Not applicable

Bharath RamRaman Sesha
(Chief Executive Officer or Managing Director or Director)

Geetu Gidwani Verma
(Chairperson CSR Committee)

Dev Kumar Tripathy
[Person specified under clause (d) of sub- section (1) of section 380]
(Wherever applicable)

Annexure – II

Information in accordance with Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended 31st March, 2025

A. ENERGY CONSERVATION

The following measures were implemented during the Financial Year 2024-25:

1. The steps taken or impact on conservation of energy;
 - a) New projects identified for Energy Conservation on HVAC / Lights usage and same are implemented.
 - b) Continuing with the previous implemented projects in FY 2022-2023.
 - c) Considered energy efficient equipment during new procurement of Electrical Goods. Viz. – HVAC system
2. Steps taken by the Company for utilizing alternate sources of energy
 - a) 1 MW Rooftop Solar plant kept functional generating 80 KW Units/Month.
3. The capital investment on energy conservation equipment

During the year, your Company has not made any capital investment on energy conservation equipment.

B. RESEARCH AND DEVELOPMENT

Philips Innovation Campus, Bengaluru (PIC-B) established in 1996 as a software development Centre for Royal Philips, hosts 4200+ employees working on software development for products across the healthcare continuum to improve people's health.

The Centre develops clinically relevant software products and solutions across the health continuum starting with healthy living, disease prevention to diagnosis, treatment and homebased care.

Creating experience-centric products and service innovations, Philips Innovation Campus Bengaluru has dedicated teams focused on harmonizing software through a common platform approach. The software development enhance global advancements in common platforms for various products in Precision Diagnosis, Image Guided Therapy, Connected Care, and Personal Health businesses.

PIC-B is also playing an important role in addressing societal healthcare challenges by leveraging the ecosystem and combining the strength of Philips Group to co-create patient centric healthcare software solutions.

Innovation for Businesses at Enterprise level:

Magnetic Resonance Imaging (MRI)

The team is working on improving Easy Plan by adding artificial intelligence, moving towards one-touch planning for cardiac examinations. Additionally, the team is developing five cardiac applications identified by our KOLs to enhance our market leadership in MR cardiology, set to launch at RSNA 2025. Furthermore, efforts are being made to improve workflow by introducing a 3D camera for AI-based coil placement and laterality checks. These initiatives are all aimed at revolutionizing cardiac examinations and ensuring we remain at the forefront of MR cardiology.

Sustained innovation has resulted in the customers benefiting from a revolutionized user experience and a higher uptime guarantee, faster deployment of software upgrades, increased productivity due to instant protocol updates and better-trained staff due to remote transfer of large training packages.

Ultrasound

Some of the recent releases and upcoming areas, where PIC-B team has an important role, are

1. VM11 Transcend AI features like NextGen TEE, TomTec solutions etc.
2. VM12 Elevate product with features like AI-assisted workflow, Auto ElasQ etc.
3. Multiple other products & solutions in POC (Point of care), CV (Cardiovascular), OB (Obstetrics) & GI (General Imaging) space.

On the NextGen Technology area, Ultrasound team is working on further enhancing the AI solutions to solve the problems in healthcare accessibility in partnership with Bill and Melinda Gates foundation and few other partners.

The team in India also drives activities apart from Software development like Program / Product Management, Verification & Validation activities, Clinical research activities and many others which are part of the Product development & life cycle management activities for Ultrasound devices.

Enterprise Informatics

Enterprise Informatics aims to leverage digital transformation to scale informatics capabilities. The project focuses on accelerating the cloud journey for multiple systems such as ISPACS, Vue PACS, AV, EPS, ISCV, and ICCA. To be future ready, the project will adopt best-in-class SaaS platforms for the PIL backbone. These platforms will provide robust, scalable, and secure solutions that can support the Company's growth and evolving needs. Teams are focusing on creating tightly integrated and seamless workflows that enhance speed and efficiency. The project includes the development of a Rad-Path system, an image analysis hub, medical device integration, a comprehensive integration engine, and AI algorithms. These components will work together to provide advanced diagnostic and analytical capabilities, enabling more accurate and timely decision-making. The integration of medical devices and AI algorithms will further enhance the Company's ability to deliver high-quality healthcare solutions.

Service Teams aims to drive service innovation by implementing new and improved service delivery methods. This includes enhancing customer support and proactive monitoring to ensure that any issues are promptly addressed and resolved. By continuously innovating and improving service delivery, the Enterprise Informatics can maintain high standards of excellence and operational stability.

Ambulatory Monitoring and Diagnosis

AM&D business focuses on providing clinically validated, AI-powered solutions that enable patient monitoring outside traditional hospital settings. These offerings include wearable devices and remote monitoring systems that track conditions such as cardiac arrhythmias over extended periods, delivering actionable insights to healthcare professionals. AM&D solutions are integrated into wider diagnostic and therapeutic technology ecosystem, facilitating smooth data exchange between patients and providers, this enhances early detection, supports continuous monitoring, and enables personalized care plans—contributing to better patient outcomes and more efficient healthcare delivery. AM&D unifies a broad range of capabilities to address cardiac and other common health conditions, supporting the full continuum of care—from home to hospital and back again.

Key Solution Areas:

- **ECG Solutions:** Comprehensive tools for screening, diagnosis, and patient management, including ambulatory cardiac monitoring and implantable device monitoring.
- **Ambulatory Virtual Care:** Flexible, scalable solutions designed to support post-acute, chronic, and gestational care needs remotely.

Personal Health (PH)

Grooming & Beauty:

The solutions developed by the Personal Health Digital Solutions and Infrastructure (PH-DSI) team provide a robust digital portfolio focused on personalization, connectivity, and consumer empowerment. Key offerings include smart devices like the Philips Lumea IPL and connected shavers that sync with dedicated mobile apps for tailored routines. The GroomTribe app (for men) and the Lumea IPL app (for women) provide users with personalized treatment plans, skin analysis, usage tracking, and expert tips, enhancing both efficacy and user experience. The digital solutions are done by leveraging AI and data analytics to improve device performance and user engagement. SkinAI, SkinIQ and other smart sensing technologies enable real-time feedback and customization. Content-rich experiences, community interactions, and influencer-driven campaigns on social media amplify reach and foster loyalty.

Oral Health Care:

Oral Health Care leverages smart technology and digital platforms to deliver personalized, connected, and preventive dental care experiences. At the heart of the portfolio is the Sonicare line of electric toothbrushes, many of which feature Bluetooth connectivity and AI-powered sensors. These devices pair with the Philips Sonicare app to provide real-time brushing feedback, personalized coaching, progress tracking, and reminders to replace brush heads, helping users build and maintain better oral hygiene habits. The Sonicare app offers tailored guidance based on individual brushing patterns, with features like missed spot detection, pressure alerts, and brush head performance monitoring. Some models integrate with dental professional platforms, allowing users to share brushing data with their dentist and receive professional advice remotely. By combining connected hardware, data-driven insights, and user-friendly digital tools, PH-DSI empowers consumers to take control of their oral health.

Mother & Childcare:

Mother and Child Care portfolio combines trusted technology with personalized support to guide families through pregnancy and early parenthood. The Pregnancy+ app developed by PH-DSI offers week-by-week fetal development updates, 3D images, appointment tracking, health tips, and tools like kick counters and contraction timers - helping expectant parents stay informed and prepared. In Q1 2025, Pregnancy+ crossed 6 million monthly active users. After birth, the Baby+ app supports daily routines with baby growth charts, feeding and sleep logs, diaper tracking, milestone recording, expert parenting tips, and a digital memory book. Complementing these apps are Philips' smart baby monitors, which offer secure, high-quality audio/video, night vision, room temperature alerts, lullabies, and remote streaming via smartphone. These devices provide peace of mind and constant connection to the baby, whether at home or away. PHDSI also develops AI models that power these baby monitors. Together, these digital solutions form a connected ecosystem that empowers parents with confidence, expert guidance, and real-time support - enhancing care for both mother and child during the most critical stages of early life.

Hospital Patient Monitoring

Hospital Patient Monitoring R&D team at PIC Bangalore is an integral part of the global R&D team of the business. Aligning with the business strategy, this team owns, design and development of key programs for the business such as Operations Management. Additionally, teams develop platform capabilities for the business. This team made two NPI releases in the year 2024. The operations management proposition results in saving time for the Company's field service engineers and BioMeds of customers, resulting in higher efficiency. A strong technology and domain focus motivates the team to drive quality and commitment.

Image Guided Therapy (IGT)

Image Guided Therapy R&D team at PIC is an important part of the global team working for the IGT Systems and IGT Devices business clusters of IGT.

The team in Bangalore plays pivotal role in:

- Health Suite Interventional platform
- Interventional Applications for various Clinical Suites
- Workflow and Application Software of Mobile Surgery Systems
- IGT SW component platform for unified workflows
- Hospital and Lab Workflow for IGT Systems and IGT Devices
- Smart Connected Systems and Solutions for IGT Systems and IGT Devices

The IGT team played key role in the release of the Zenition 10/30/90 Systems, life cycle management for Allura product, released Tiger project (Allura R8.x.100 and R8.x.102) handling obsolescence, technology and security improvement for the Technology Maximizer customers across the globe, Life cycle management of 2D interventional applications releasing IW 1.8.5, Coronary Tools SBL 2.1 (L5) DCR 3.1 (L5).

The year also saw the first release of Software component platform for unified workflows AppOS1.0, which will be consumed by IGT Devices Avila Program. AppOS2.0 is being delivered for SmartNav iApps Program. The SCSS team delivered ServiceHub 1.1 project as Remote Service Solution via HS Edge for IGT Cathlab. The Centre for Excellence in Automation improved the quality and reliability of systems & parts. The Security Centre of Excellence is supporting in ensuring our products are with latest security standards.

Diagnostic Xray Systems (DXR)

The team in Bangalore played a pivotal role in Eleva SW Platform that is used in DXR Mobile, Fixed RAD and Fluoroscopy systems. The team released a new Software platform for the new Mobile Monarc systems. It delivered 3D camera features for the Fixed Radiography 7300C systems, worked on upgrading systems in the install base to latest Windows platform, delivered the release of PSC 10.1 for install base DigitalDiagnost, ProxiDiagnost and CombiDiagnost systems, Smart Connected Systems and Solutions for IGT Systems and IGT Devices. The team in PIC-B is also responsible for integration and verification for all NPI and MLD releases for the DXR organization

HealthSuite Service Analytics & Platform (HSSAP)

HSSAP team at PIC-B has been engaged to help businesses unlock value of independently evolving Business and third party (AI) applications in the Cloud and unlock insights to optimize customer value and workflow performance. The team also focusses on driving InstallBase connectivity, the digital foundation to improve remote serviceability, enable remote software distribution and digital dashboards providing customers visibility on their assets.

The team also enables Philips Business needs for industry-standard and cost-effective data science environment to build AI models quickly. The team provides building blocks and cloud assets needed for building highly scalable cloud solutions.

During the year,

- The Remote Services team partnered with IGT and DXR businesses to prevent disconnection of devices due to End of life of Axeda.
- In 2025, RSM team partnered with Ultrasound to successfully deliver remote software updates to customers worldwide, spanning multiple devices and continuing to scale—demonstrating significant progress in global deployment and operational efficiency.
- Digital platforms team continue the partnership with MR and CI teams in integrating the Modality AI solution, which is key for success enable 3rd party AI solutions seamlessly in the Clinical workflows.

Information Technology

The India IT services team is responsible for remote maintenance, support center operations, data integration, and data processing for Philips Businesses.

The IT team has designed, implemented, and deployed legal, fiscal, and regulatory solutions, including compliance with the India Companies Act for bookkeeping, GST, and ensuring business compliance.

Additionally, the IT team has executed various Hyper automation initiatives to enhance efficiency within back-office processes, encompassing Finance and Supply Chain.

The team is also developing capabilities in Generative AI, Cloud, Security, Hyper automation, and S4 Hana within the organization, which will help future-proof the organization.

1. Future plan of action

Your Company continue to engage in design & development for various imaging products like IGT- Systems, CT AMI, Diagnostic X-Ray, Ultrasound, MR (RF Coils), Sleep & Respiratory Care.

2. Expenditure incurred on R&D

During the year, your Company has incurred an expenditure of INR 2,966 Million on activities related to research and development.

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The details of some of the steps taken by your Company for absorption of technology, adapting to the same in its operations and the innovations made during the year, have been included in the R&D section above. No technology was imported during the year.

D. FOREIGN EXCHANGE EARNINGS & OUTGO (CASH BASIS)

During the year, total inflows (on cash basis) in foreign exchange was INR 35,469 million and total outflows (on cash basis) in foreign exchange was INR 26,954 million.

On behalf of the Board of Directors
For Philips India Limited

Angarai Dorairajan Aditya Ratnam
(Chairman)
DIN: 05296020

Place: Gurugram
Date: August 05, 2025

Annexure - III

Form No.AOC-2

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not on an arm's length basis.

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Value of Transactions during the year ended March 31, 2025, (in INR Millions)
Philips Medical Systems Nederland B.V. Fellow Subsidiary Company	Sale of Goods	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	4,942
Philips Medical Systems Nederland B.V. Fellow Subsidiary Company	Purchase of Goods	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	4,068
Philips Medical Services Nederland B.V. Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	8,835
Koninklijke Philips N.V. Parent Company	Sale of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	4,329
Philips Consumer Lifestyle B.V. Fellow Subsidiary Company	Sale of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,241

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Value of Transactions during the year ended March 31, 2025, (in INR Millions)
Philips Consumer Lifestyle B.V. Fellow Subsidiary Company	Purchase of Goods	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	3,263
Philips Electronics Nederland B.V. Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,143
Philips Electronics Singapore Pte Ltd Fellow Subsidiary Company	Purchase of Goods	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	3,010
Philips Healthcare Informatics, Inc. Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,296
Philips Medical Systems (Cleveland), Inc. Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,254
Philips Medical Systems Technologies Ltd. Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,639

PHILIPS INDIA LIMITED

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Value of Transactions during the year ended March 31, 2025, (in INR Millions)
Philips North America LLC Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,809
Philips RS North America LLC Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,388
Philips Ultrasound LLC Fellow Subsidiary Company	Purchase of Goods	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,763
Philips Ultrasound LLC Fellow Subsidiary Company	Sales of Services	Yearly	Based on Transfer Pricing guidelines	Not Applicable, since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable	1,852

Please note that transactions with related parties of value INR 1000 Million or more have been taken into account while preparing this form. The complete list of related party transactions forms part of Notes to the financial statements, forming part of this Annual Report

On behalf of the Board of Directors
For Philips India Limited

Place: Gurugram
Date: August 05, 2025

Angarai Dorairajan Aditya Ratnam
(Chairman)
DIN: 05296020

Annexure - IV

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

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

To,
The Members,

PHILIPS INDIA LIMITED,

{CIN: U31902WB1930PLC006663},

Rajarhat 4A, 5th Floor, Ecospace Business Park,
Premises, AA II, Newtown, Chakpachuria, Kolkata, West Bengal - 700156

I report that:

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PHILIPS INDIA LIMITED** (hereinafter referred as '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.

Company's Responsibilities

The Company's Management and Board of Directors are responsible for the maintenance of secretarial record under the Companies Act, 2013 and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards. Further the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

Auditor's Responsibilities Statement

My responsibility is only to examine and verify those compliances on a test basis and express an opinion on these secretarial records based on my audit.

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 a 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.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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.

Limitation

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI). Further, I conducted the secretarial audit by examining the secretarial records including minutes, documents, registers, other records and returns related to the applicable laws on the Company etc. made available to me. The management has confirmed that the records submitted to me are true and correct.

Basis of opinion

I have followed the audit practices, secretarial auditing standards and processes as were applicable and appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification in some cases were 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. I also believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on Secretarial Records and Compliances made thereunder

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 March 31, 2025, generally 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:

- 1) The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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;
- 5) 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;
Not Applicable
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Not Applicable
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
Not Applicable
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; -
Not applicable;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat Equity) Regulations, 2021;
Not Applicable
 - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
Not Applicable
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable as the Company is not registered as Registrar to issue and Share Transfer Agent during the financial year under review.**
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **Not applicable** and;
 - i) The Securities and Exchange Board of India (Buy-Back of securities) Regulations, 2018; - **Not applicable;**
- 6) The Company has identified following laws applicable specifically to the Company and I have relied upon the representation made by the Company and its officers for the system and mechanism framed by the Company for compliances made under sectoral laws as applicable during the year under review:

A. Sectoral Laws:

- 1) The Legal Metrology Act, 2009;

B. Commercial and other Laws:

- 2) The Water (Prevention and Control of Pollution) Act, 1974;
- 3) The Air (Prevention and Control of Pollution) Act, 1981;
- 4) The Environment (Protection) Act, 1986;
- 5) The Shops and Establishment Act, 1953;
- 6) The Indian Contract Act, 1872;
- 7) The Competition Act, 2002;
- 8) The Entry Tax Act;
- 9) The Professional Tax Act

I have also examined compliance with the applicable provisions of the following: -

- (i) Secretarial Standards on meeting of Board of Directors (SS-1) and on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.
- (ii) The listing Agreements entered with Stock Exchange(s) pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations 2015, as amended: **Not Applicable**

Based on my examination and verification of records produced to me and according to the information and explanations given to me by the Company, in my opinion, the Company has generally complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above.

I further report that

The Board of Directors has been duly constituted. 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. Further, the Nomination and Remuneration Committee (NRC) of the Company as on date has duly been reconstituted, in compliance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Adequate notice(s) have been given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

All decisions at Board Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors. Further there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board.

I further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

I further reported earlier, in July 2020, during management reconciliations, it was detected that few employees (current and former) colluded with the vendors to fraudulently record and pay service and maintenance bills without services being provided by vendors. The fraud committed by the accused on the Company, pertains to period January 1, 2018 to June 30, 2020 amounting to Rs. 28 Crores. The management not only took cognizance on governance efforts but also made remarkable recovery in this case. The matter is pending with the Ministry of Corporate Affairs.

I further report that during the audit period, the Company has the following specific events/actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines.

PHILIPS INDIA LIMITED

- The Company is in the process of reducing its issued, subscribed and paid-up equity share capital of the Company from the existing INR 57,51,72,420 (Indian Rupees fifty seven crore fifty one lakh seventy two thousand four hundred and twenty only) divided into 5,75,17,242 (Five Crore Seventy Five Lakh Seventeen Thousand Two Hundred Forty Two) equity shares having a face value of INR 10 (Indian Rupees Ten only) each fully paid up, to INR 55,29,02,420 (Indian Rupees Fifty Five Crore Twenty Nine Lakh Two Thousand Four Hundred And Twenty Only) divided into 5,52,90,242 (Five Crore Fifty Two Lakh Ninety Thousand Two Hundred And Forty Two) equity shares having a face value of INR 10 (Indian Rupees Ten only) each fully paid up, by cancelling and extinguishing 22,27,000 (Twenty Two Lakh Twenty Seven Thousand) equity shares having a face value of INR 10 (Indian Rupees Ten only), in aggregate, constituting 3.87% of the total issued, subscribed and paid-up equity share capital of the Company held by all the equity shareholders of the Company other than Koninklijke Philips N.V. and Philips Radio B.V. Pursuant to the Board approval at their meeting held on October 31, 2023 and shareholder's approval by way of approval special resolution passed through postal ballot on December 9, 2018, Company has filed the petition with National Company Law Tribunal ("NCLT"), Kolkata.

The aforesaid Company Petition was presented on 19th day of December 2023 and admitted by an order of the Hon'ble NCLT dated 4th day of January 2024. The NCLT vide its order dated 19th day of September rejected the Company's pleading. The Company has filed an appeal before National Company Law Appellate Tribunal ("NCLAT"), Principal Bench, New Delhi on 25th October 2024. The matter is pending with NCLAT.

Place: New Delhi
Date: August 05, 2025

CS ASHOK TYAGI
Practicing Company Secretary

FCS: 2968

C P No: 7322

UDIN: F002968G000967353
Peer Review Certificate. No. 1578/2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Philips India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Philips India Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

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

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except (a) for the matter stated in the paragraph (i)(vi) below on reporting under Rule 11(g) and (b) that the back-up of books of account and other books and papers maintained in electronic mode was not kept in servers physically located in India on a daily basis from April 1, 2024 to March 15, 2025 as stated in Note 44(a) to the financial statements;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on the reporting under Rule 11(g);
 - (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29(b) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in

writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to database using certain access rights, as described in note 44(b) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) where the audit trail has been enabled.

Further as explained in the above note, in respect of applications managed by a third-party software service provider, due to absence of Service Organization report, we are unable to comment on whether audit trail feature was enabled and operated throughout the year or whether there were any instances of the audit trail feature being tampered with.

Further, the audit trail in respect of prior year has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in that year, as stated in Note 44(b) to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTES2218

Place of Signature: Gurugram

Date: August 05, 2025

ANNEXURE I REFERRED TO PARAGRAPH I UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” 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.
- (i) (a) (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management including inventories lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.
- (b) As disclosed in note 37 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during any point of time of the year on the basis of security of current assets.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

PHILIPS INDIA LIMITED

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Healthcare Products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of income tax, Value added tax, goods and service tax, Sales tax, duty of custom that have not been deposited on account of any dispute, are as follows:

Nature of the statute	Nature of dues	Amount of demand without netting of amount paid under protest (INR in million)	Amount paid under protest and provided (INR in million)	Recourse* (INR in million)	Net Amount (INR in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Disallowances and transfer Pricing additions including Interest and Penalty where applicable	2,927	187	-	2,740	AY 2004-05 to AY 2021-22	Appellate Authority upto commissioner (Appeals)
		430	111	-	319	AY 2004-05 & AY 2021-22	Tribunal
		2953	70	-	2,883	AY 2003-04 to AY 2018-19	High Court
Central Sales Tax Act, 1956 and Individual State Sales Tax Act	Sales Tax including Interest and penalty	334	30	277	27	1987-88 to 2021-22	Appellate Authority upto commissioner (Appeals)
		243	5	236	1	1986-87 to 2014-15	Tribunal
		54	9	44	0	1998-99 to 2010-11	High Court
		38	-	13	25	2007-08	Supreme Court

Nature of the statute	Nature of dues	Amount of demand without netting of amount paid under protest (INR in million)	Amount paid under protest and provided (INR in million)	Recourse* (INR in million)	Net Amount (INR in million)	Period to which the amount relates	Forum where dispute is pending
The Goods & Services Tax Act, 2017	GST including interest and penalty where applicable	2,433	87	-	2346	2017-18 to 2022-23	GST - Appellate Authority upto commissioner (Appeals)
The Finance Act, 1994	Service tax including interest and penalty where applicable	14	-	-	14	April 2016 to June 2017	Custom, Excise and Service tax Appellate Tribunal
The Finance Act, 1994	Service tax including interest and penalty where applicable	8	-	-	8	October 2003 to March 2008	Appellate Authority upto commissioner (Appeals)
Central Excise Act, 1944	Excise duty including interest and penalty where applicable	11	-	-	11	2007	Appellate Authority upto commissioner (Appeals)
Central Excise Act, 1944	Excise duty including interest and penalty where applicable	16	-	-	16	1996 to 2002	Bombay High Court
Custom Act, 1962	Custom duty including interest and penalty where applicable	252	117	-	135	2012-13, 2013-14 & 2017-18	Appellate Authority upto commissioner (Appeals)
Employee Provident Fund Organization	Demand on account of short deposition of PF liability during transition	2,492	-	-	2,492	2022-23	High Court

The Company demerged its Lighting business, approved by Hon'ble High Court of Calcutta vide order dated January 7, 2016. These amounts represent the contingent liability in respect of the Lighting business, which as per Memorandum of Undertaking (MOU) is recoverable from Philips Lighting India Limited (PLIL)

PHILIPS INDIA LIMITED

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associates companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of 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 audit procedures.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 26 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 26 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTES2218

Place of Signature: Gurugram

Date: August 05, 2025

“ANNEXURE 2” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirement’s section of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Philips India Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these 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 includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of

financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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 control 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 with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTES2218

Place of Signature: Gurugram

Date: August 05, 2025

PHILIPS INDIA LIMITED

Balance Sheet As at 31 March, 2025

Amounts in ₹ Mln

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	7,929	8,100
Capital work-in-progress	2(a)	83	249
Investment property	3	1,300	1,377
Financial Assets			
Trade Receivables	5(a)	347	379
Investments	5(b)	-	-
Other Financial Assets	5(c)	200	161
Deferred tax assets (net)	6	961	836
Advance income tax (net of provision)		3,444	4,013
Other non current assets	7	532	514
		14,796	15,629
Current assets			
Inventories	8	8,295	8,240
Contract Assets	4	376	371
Financial Assets			
Trade receivables	9(a)	10,870	9,171
Investments	5(b)	44	47
Cash and cash equivalents	9(b)	2,473	2,728
Other Financial Assets	9(c)	91	293
Other current assets	10	3,780	2,848
		25,929	23,698
		40,725	39,327
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	575	575
Other Equity	12	17,461	14,321
Equity attributable to equity shareholders		18,036	14,896
LIABILITIES			
Non-current liabilities			
Contract Liabilities	4	2,349	1,534
Financial Liabilities			
Lease Liabilities	13	3,651	3,669
Other non-current liabilities	14	189	183
Provisions	15(a)	2,245	3,175
		8,434	8,561
Current liabilities			
Contract Liabilities	4	3,069	4,031
Financial Liabilities			
Lease Liabilities	16(a)	592	338
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	16(b)	348	242
Total outstanding dues of creditors other than micro enterprises and small enterprises	16(b)	6,697	7,133
Other financial liabilities	16(c)	109	406
Other current liabilities	17	2,606	2,690
Provision for taxation (net of advances)		358	267
Provisions	15(b)	476	763
		14,255	15,870
		40,725	39,327
TOTAL EQUITY AND LIABILITIES			
Basis of preparation, measurement and material accounting policies	I		

Refer accompanying notes forming part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors of Philips India Limited
CIN: U31902WB1930PLC006663

For S.R. Batliboi & Co LLP

Chartered Accountants

Firm registration number: 301003E/E300005

Chairman

ANGARAI DORAIRAJAN ADITYA RATNAM
(DIN: 05296020)

Managing Director

BHARAT RAM RAMAN SETHA
(DIN: 01983066)

Whole-time Director & CFO

DEV KUMAR TRIPATHY
(DIN: 10373357)

DIVYA MATHUR

Partner

Membership No.: 506846

Gurugram, August 05, 2025

Company Secretary

SWATI BATRA
(Membership No. A23592)

Gurugram, August 05, 2025

Statement of Profit and Loss for the year ended 31 March 2025

Particulars	Note	Amounts in ₹ Mln	
		Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	18	65,420	59,965
Other income	19	886	648
Total Income		66,306	60,613
Expenses			
Cost of raw materials consumed	20	4,120	4,074
Purchases of stock-in-trade	21	23,442	21,310
Changes in inventories of work-in-progress, finished goods and stock-in-trade	22	176	(762)
Employee benefits expense	23	21,764	21,649
Finance costs	24	571	388
Depreciation and amortization expense	25	1,747	1,426
Other expenses	26	10,006	9,259
Total expenses		61,826	57,344
Profit before tax		4,480	3,269
Tax expense			
Current tax	6	(1,528)	(889)
Deferred tax expenses - credit / (charge)	6	141	195
Total Tax Expense		(1,387)	(694)
Profit after Tax (A)		3,093	2,575
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or Loss			
Re-measurement gains / (losses) on defined benefit plans	27	63	(30)
Income tax effect on defined benefit plans	6	(16)	8
Other Comprehensive Income for the year (B)		47	(22)
Total Comprehensive income for the year (A+B)		3,140	2,553
Earnings per equity share			
Basic and diluted earnings per equity share of ₹10 each (in ₹)	38	53.78	44.78
Basis of preparation, measurement and material accounting policies	I		

Refer accompanying notes forming part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors of Philips India Limited
CIN: U31902WB1930PLC006663

For S.R. Batliboi & Co LLP

Chartered Accountants
Firm registration number: 301003E/E300005

Chairman

ANGARAI DORAIRAJAN ADITYA RATNAM
(DIN: 05296020)

Managing Director

BHARAT RAM RAMAN SSHA
(DIN: 01983066)

Whole-time Director & CFO

DEV KUMAR TRIPATHY
(DIN: 10373357)

DIVYA MATHUR

Partner
Membership No.: 506846

Company Secretary

SWATI BATRA
(Membership No.A23592)

Gurugram, August 05, 2025

Gurugram, August 05, 2025

Statement of Changes in Equity for the year ended 31 March 2025

Particulars	Amounts in ₹ Mln		
A. Equity Share Capital	Number of shares	Amounts	
Equity shares of ₹10 each issued, subscribed and fully paid up			
As at March 31 2023	5,75,17,242	575	
Changes in equity share capital during the year	-	-	
As at March 31 2024	5,75,17,242	575	
Changes in equity share capital during the year	-	-	
As at March 31 2025	5,75,17,242	575	
B. Other Equity			
Particulars	Retained Earnings	Items of OCI Remeasurement*	Total
As at March 31 2023	12,499	(731)	11,768
Profit for the year	2,575		2,575
Remeasurement benefit of defined benefit plans		(22)	(22)
Total Comprehensive Income for the year	2,575	(22)	2,553
As at March 31 2024	15,074	(753)	14,321
Profit for the year	3,093		3,093
Remeasurement benefit of defined benefit plans		47	47
Total Comprehensive Income for the year	3,093	47	3,140
As at March 31 2025	18,167	(706)	17,461

* Refer Note 12

Refer accompanying notes forming part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors of Philips India Limited
CIN: U31902WB1930PLC006663

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm registration number: 301003E/E300005

Chairman **ANGARAI DORAIRAJAN ADITYA RATNAM**
(DIN: 05296020)

Managing Director **BHARAT RAM RAMAN SETHA**
(DIN: 01983066)

Whole-time Director & CFO **DEV KUMAR TRIPATHY**
(DIN: 10373357)

DIVYA MATHUR
Partner
Membership No.: 506846
Gurugram, August 05, 2025

Company Secretary **SWATI BATRA**
(Membership No. A23592)

Gurugram, August 05, 2025

Cash Flow Statement for the year ended 31 March 2025

Amounts in ₹ Mln

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash generated from operating activities			
Profit before tax		4,480	3,269
Adjusted for			
Write off & other adjustment of Property, Plant & Equipment		32	47
Profit on sale of Investments		(7)	-
Depreciation and amortization		1,747	1,426
Unrealized foreign exchange (gain) and loss (net) (included in note 19)		(19)	25
Allowances for doubtful trade receivables & loans & advances		335	388
Liabilities no longer required written back		(137)	(39)
Interest on advances, current accounts and deposits		(531)	(415)
Lease Rental Income		(121)	(116)
Finance costs		571	388
		1,870	1,704
Operating profit before working capital changes		6,350	4,973
Changes in			
Trade receivables, other current & non-current assets (except inventories)		(2,721)	(620)
Inventories		(55)	(1,057)
Trade payables and other current, non-current liabilities		(874)	5,065
Cash generated from operations		2,700	8,361
Income tax paid (net of refunds)		(1,421)	(1,005)
Net Cash generated from operating activities		1,279	7,356
B. Cash generated from investing activities			
Purchase of Property, Plant and Equipment		(978)	(6,049)
Proceeds from redemption of Investments		10	39
Proceeds from Property, Plant and Equipment		42	-
Lease Rental Income		121	116
Interest received		167	65
Net Cash used in investing activities		(638)	(5,829)
C. Cash flow from financing activities			
Finance costs		(192)	(107)
Proceeds from borrowings		-	3,150
Repayment of borrowings		-	(3,150)
Interest on lease liabilities paid		(379)	(179)
Principal repayment of lease liabilities		(325)	(631)
Net Cash used in financing activities		(896)	(917)
Increase / (Decrease) in cash and cash equivalents (A+B+C)		(255)	610

Cash Flow Statement for the year ended 31 March 2025 (Contd.)

Amounts in ₹ Mln

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
D. Cash and cash equivalents - Opening Balance			
Cash and cash equivalents	9(b)	984	299
Unpaid dividend	9(b)	94	19
Deposits with Banks	9(b)	1,650	1,800
Total		2,728	2,118
E. Cash and cash equivalents - Closing Balance			
Cash and cash equivalents	9(b)	872	984
Unpaid dividend	9(b)	91	94
Deposits with Banks	9(b)	1,510	1,650
Total		2,473	2,728
Net increase/(decrease) in cash and cash equivalents (E-D)		(255)	610

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS-7) - Statement of Cash Flow.

Refer accompanying notes forming part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors of Philips India Limited
CIN: U31902WB1930PLC006663

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm registration number: 301003E/E300005

Chairman **ANGARAI DORAIRAJAN ADITYA RATNAM**
(DIN: 05296020)

Managing Director **BHARAT RAM RAMAN SSHA**
(DIN: 01983066)

Whole-time Director & CFO **DEV KUMAR TRIPATHY**
(DIN: 10373357)

DIVYA MATHUR
Partner
Membership No.: 506846
Gurugram, August 05, 2025

Company Secretary **SWATI BATRA**
(Membership No. A23592)

Gurugram, August 05, 2025

Notes to Financial Statements for the year ended March 31, 2025

CORPORATE INFORMATION:

Philips India Limited (the 'Company') (CIN: U31902WB1930PLC006663) is a public limited company domiciled in India with its registered office at 3rd Floor, Tower A, DLF IT Park, 08 Block AF, Major Arterial Road, New Town (Rajarhat) Kolkata - 700156, West Bengal, India. The Company's business segments comprise of (a) Healthcare Systems, (b) Personal Health and (c) Innovation Services. The Company has manufacturing facilities in Pune, Maharashtra, and Software Development centre in Bangalore. The company sells its products primarily in India through independent distributors and modern trade. The Financial statements for the year ended 31 March 2025 were authorized by the Board of Directors for issue in accordance with resolution passed on August 05, 2025.

I. MATERIAL ACCOUNTING POLICIES:

I.1. (a) Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirement of Division II of Schedule III to the Companies Act, 2013, (Ind. AS compliant Schedule III) and other relevant provisions of the Act.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The accounting policies have been applied consistently over all the years in these financial statements except, where newly issued Accounting Standard is initially adopted.

(b) Current / Non-Current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle.
- the asset/liability is held primarily for the purpose of trading.
- the asset/liability is expected to be realized/settled within twelve months after the reporting period.
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

For current & non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

I.2. Key Accounting Estimates and Judgements.

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Notes to Financial Statements for the year ended March 31, 2025

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations – Note 27
- Measurement and likelihood of occurrence of provisions and contingencies – Note 15 and 29
- Recognition of deferred tax assets – Note 6
- Measurement of Lease liabilities and Right of Use Asset – Note 2

1.3. (a) Property, Plant and Equipment

Property, plant, and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses consequent to transition to INDAS. 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. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The useful life of major components of Property, Plant and Equipment is as follows:

Factory buildings 30 years, plant & equipment 3-17 years, general furniture and fixtures 5-10 years, office equipment 3-5 years.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Property, plant, and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on the original cost on a straight-line method as per the useful lives of the assets as estimated by the management which are equal to the useful lives prescribed under Schedule II of the Companies Act, 2013. Depreciation on medical equipment given on operating leases and leasehold improvements is provided on a straight-line basis over the period of the lease or on their estimated useful life, whichever is shorter.

(b) Investment Properties:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives and building component of investment property is depreciated over 30 years from the date of original purchase.

Notes to Financial Statements for the year ended March 31, 2025

Though the Company measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(c) Capital work in progress and Capital Advances

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as Capital Work-in-Progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

1.4. Inventories:

Inventories are valued at cost or net realizable value whichever is lower. In case of medical equipment / systems, cost is determined on the basis of "First in First Out" method and inventories for ongoing projects are valued at specific identification of cost method due to nature of the business. For all other items, cost is determined on the basis of the weighted average method and includes all costs incurred in bringing the inventories to their present location and condition. Finished goods and work-in-progress include appropriate proportion of costs of conversion. Obsolete, defective, and unserviceable stocks are duly provided for.

1.5. Cash and Cash equivalents:

Cash and cash equivalents in the balance sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

1.6. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets:

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 profit or loss)
- Those measured at amortized cost.

Initial Recognition and Measurement:

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:

For purposes of subsequent measurement financial assets are classified in following categories:

- Debt instruments at fair value through profit and loss (FVTPL)
- Equity instruments

Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on

Notes to Financial Statements for the year ended March 31, 2025

the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity investments of other entities

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either:
- the Company has transferred the rights to receive cash flows from the financial assets or
- the Company has retained the contractual right 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 the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized 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 recognized to the extent of continuing involvement in the financial asset.

Notes to Financial Statements for the year ended March 31, 2025

Impairment of financial assets

In accordance with INDAS 109, the Company applies Expected Credit Losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure.

- Financial assets measured at amortized cost.
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

The Company follows “simplified approach” for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables.
- All lease receivables resulting from the transactions within the scope of IND AS 116

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

b) Financial Liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. the Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money, liabilities towards services, sales incentives and other payables.

The measurement of financial liabilities depends on their classification, as described below:

Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Notes to Financial Statements for the year ended March 31, 2025

Offsetting of financial instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

I.7. Provisions & Contingencies:

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets, and commitments are reviewed at each balance sheet date.

I.8. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are net of returns, trade discounts, rebates, Goods and Service Tax and amount collected on behalf of third parties.

- **Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and is measured at fair value of consideration received/receivable, net of returns and allowances, discounts, volume rebates and cash discounts. Revenue is usually recognized when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

The consideration expected by the company may include fixed and/or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Transfer of control varies depending on the individual terms of the contract of sale.

Notes to Financial Statements for the year ended March 31, 2025

- **Variable Consideration**

A variable consideration is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Such assessment is performed on each reporting date to check whether it is constrained. For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available revenue recognition is postponed until the return period has lapsed. Return policies are typically based on customary return arrangements in local markets.

- **Significant financing component**

Generally, the Company receives advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be as per terms of contract.

- **Warranty obligations**

A provision is recognized for assurance-type product warranty at the time of revenue recognition and reflects the estimated costs of replacement and free-of-charge services that will be incurred by the company with respect to the products sold. For certain products, the customer has the option to purchase the warranty separately, which is considered a separate performance obligation on top of the assurance-type product warranty. For such warranties which provide distinct service, revenue recognition occurs on a straight-line basis over the extended warranty contract period. In the case of loss under a sales agreement, the loss is recognized immediately.

- **Contract Balances:**

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

- **Assets and Liabilities arising from rights of return.**

Right of return assets:

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Notes to Financial Statements for the year ended March 31, 2025

Refund Liabilities:

A refund liability is the obligation to refund some, or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

- **Rendering of Services**

Revenue from service-related activities is recognized as and when services are rendered and on the basis of contractual terms with the parties.

Income from annual maintenance service contracts is recognized on a straight-line basis over the period of contracts and income from other service contracts is recognized on completion of the service rendered which approximates the cost of providing these services.

Revenue from assets given on operating leases is recognized as per terms and conditions of the agreements.

Revenue from software development services is billed to clients on cost plus basis as per the terms of the specific contracts.

Cost and earnings in excess of billings are classified as unbilled revenue.

- **Export benefits**

Income from export incentives such as duty drawback, merchandise export incentive scheme and service export incentive scheme are recognized in accordance with their respective underlying scheme at fair value of consideration received or receivable.

- **Interest Income**

Interest income is recorded on a time proportion basis considering the amounts invested and the rate of interest.

- **Rental Income**

Rental income is accounted as per agreement over the lease term.

I.9. Employee Benefits:

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

Defined Contribution Plans

Contributions to defined contribution schemes such as Employees' State Insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Notes to Financial Statements for the year ended March 31, 2025

Defined Benefit Plans

Liability for defined benefit plan is provided on the basis of actuarial valuation carried out by an independent Actuary at year end using the Projected Unit Credit Method. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date. Termination benefits are recognized as and when incurred.

The Company covers the liability towards employees' gratuity managed through Income Tax recognized trust. Liability with respect to the Gratuity plan, determined on basis of actuarial valuation as described above, and any differential between the fund amount as per the trust and the liabilities as per actuarial valuation is recognized as an asset or liability. Annual contributions are made to the employee's gratuity fund, established with the insurance company based on an actuarial valuation carried out as at 31 March each year. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

In respect of gratuity, any differences between the interest income on plan assets and the return achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognized immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss. In respect of compensated absences, actuarial gains / losses are recognized in the Statement of Profit and Loss in the year in which they arise.

Long Service Award

The Company operates a Long Service Award to recognize and appreciate the contribution and commitment of long serving employees payable upon completion of certain years of service.

Share-based payments

Certain employees are given stock option plans of Ultimate Holding Company. The cost of stock option plans is calculated by the Ultimate Holding Company using the Black and Scholes option pricing model. The cost calculated using this method is recognized as an employee benefits expense over the vesting period of the options.

1.10. Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or other comprehensive income.

Current Tax:

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is

Notes to Financial Statements for the year ended March 31, 2025

probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

I.11. Leases:

As a lessee

The Company mainly has lease arrangements for leasehold land, vehicles, and buildings (office premises).

The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Company has the right to direct the use of the asset and whether the Company obtains substantially all the economic benefits from the use of that asset.

The Company recognizes a right-of-use asset and a corresponding lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset on the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability

Lease liability is accounted at amortized cost. The lease liabilities are adjusted for the lease payments made by the Company. Lease payments are allocated between principle and finance cost. Finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. In case of changes in the future lease payments due to renegotiation, changes of an index or rate, the lease liability is re-measured (with a corresponding adjustment to the related right-of-use asset).

Notes to Financial Statements for the year ended March 31, 2025

Short-term leases and leases of low-value assets: The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases as well as low value assets. The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option)."

1.12. Foreign Currencies:

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency items at the balance sheet date:

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability

The estimated fair value amounts of forward exchange contracts as at March 31, 2025 have been measured as at that date. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates changes. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period.

1.13. Fair value measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

The fair value of financial instruments has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market.
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

Notes to Financial Statements for the year ended March 31, 2025

I.14. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

I.15. Government Grants:

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions for receiving such grant have been and will be fulfilled. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate.

I.16. Operating Segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company.

I.17. Dividend:

The Company recognizes a liability to pay dividend to equity holders when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the Corporate Laws in India, the distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

I.18. Events after the reporting period:

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that exist at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Notes to Financial Statements for the year ended March 31, 2025

2. Property, Plant and Equipment

Amounts in ₹ Mn

Particulars	Gross Carrying Value			Accumulated Depreciation				Net book value	
	As at March 31 2024	Reclassification	Additions	Deductions/ adjustments	As at March 31 2025	Reclassification	Depreciation/ Amortisation for the year	As at March 31 2025	As at March 31 2025
Owened Assets									
Buildings	269	-	-	-	269	111	8	119	151
Leasehold Improvements	1,783	-	203	(394)	1,592	702	133	417	1,175
Plant & Equipment	4,031	-	657	(113)	4,575	1,747	666	2,387	2,187
Plant & Equipment (given on operating lease)	248	-	-	(62)	186	128	25	93	93
Office Equipment	749	-	98	(107)	740	484	85	454	286
Furniture	478	-	16	(32)	462	147	48	177	285
Right of Use (ROU) Assets									
Vehicles	1,137	-	637	(216)	1,558	403	324	570	987
Buildings	3,348	-	84	(69)	3,363	290	376	666	2,697
Leasehold Land	80	-	-	-	80	11	1	12	68
Total	12,122	-	1,695	(993)	12,824	4,022	1,666	4,895	7,929

Particulars	Gross Carrying Value			Accumulated Depreciation				Net book value	
	As at 31 March 2023	*Reclassification	Additions	Deductions/ adjustments	As at 31 March 2024	*Reclassification	Depreciation/ Amortisation for the year	As at March 31 2024	As at March 31 2024
Owened Assets									
Buildings	269	-	-	-	269	103	8	111	158
Leasehold Improvements	819	-	1,008	(44)	1,783	680	59	702	1,081
Plant & Equipment	2,129	(1)	1,945	(42)	4,031	1,417	371	1,747	2,284
Plant & Equipment (given on operating lease)	270	-	34	(56)	248	132	29	128	120
Office Equipment	571	(1)	223	(44)	749	476	47	484	265
Furniture	301	-	271	(94)	478	183	35	147	331
Right of Use (ROU) Assets									
Vehicles	811	-	513	(187)	1,137	304	230	403	734
Buildings	2,431	-	3,041	(2,124)	3,348	1,849	565	290	3,058
Leasehold Land	80	-	-	-	80	10	1	11	69
Total	7,680	(2)	7,035	(2,591)	12,122	5,154	1,345	4,022	8,100

*Reclassification due to internal transfer.

The company has neither revalued nor impaired property, plant and equipment during the year ended March 31, 2025 and March 31, 2024.

PHILIPS INDIA LIMITED

Notes to Financial Statements for the year ended March 31, 2025

Leases

As a Lessee:

The Company has lease contracts for vehicles, office buildings and leasehold land. Lease terms of vehicles vary between 3-5 years, while other leases have lease terms between 5-10 years and for leasehold land, lease term is 95 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognized.

The Company also has leases of low value and applies the 'lease of low-value assets' recognition exemptions for these leases.

Following is carrying value of Right of Use assets recognized on date of transition and the movements thereof during the year.

Particulars	As at March 31 2025	As at March 31 2024
Recognized in Balance Sheet As at March 31 2025		
Right-of-use asset As at March 31 2024	3,861	1,157
Additions	721	3,554
Deletions/ Remeasurements during the year	(129)	(56)
Depreciation for the year	(701)	(795)
Right-of-use asset As at March 31 2025	3,752	3,861
Lease Liabilities As at March 31 2024	(4,007)	(1,201)
Additions	(687)	(3,407)
Deletions / Remeasurements during the year	126	(30)
Interest cost accrued during the year	(379)	(179)
Payment of lease liabilities (Principal)	325	631
Payment of lease liabilities (Interest)	379	179
Lease Liabilities As at March 31 2025	(4,243)	(4,007)
Current	(592)	(338)
Non-Current	(3,651)	(3,669)
Lease Liabilities as at March 31 2025	(4,243)	(4,007)
Recognized in Statement of Profit and Loss		
Depreciation for the year	701	795
Interest cost accrued during the year	379	179
Expenses relating to leases of low value assets	226	289
Total cash outflows from leases during the year	1,306	1,264

The maturity analysis of lease liabilities is disclosed in Note 36. The effective interest rate for lease liabilities is 8.2% per annum (31 March 2024: 8.0% per annum). The Company's total cash outflows for leases during the year is ₹930 (31 March 2024: ₹1,099). Extension and termination options are included in a number of property and equipment leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

Lease receivable:

The total lease rentals recognised as income during the year is ₹44 (31 March 2024: ₹79).

Notes to Financial Statements for the year ended March 31, 2025

Property, Plant and Equipment (Contd..)

Amounts in ₹ Mln

2(a). Capital Work in Progress

Capital Work in Progress	As at March 31 2025	As at March 31 2024
Book value	83	249

2(b) Capital Work in Progress Ageing Schedule

Particulars	As at March 31 2025		As at March 31 2024	
	Projects in Progress	Projects temporarily suspended	Projects in Progress	Projects temporarily suspended
Less than 1 year	82	-	211	-
1-2 Years	1	-	11	-
2-3 Years		-	17	-
More than 3 years		-	10	-
Total	83	-	249	-

(2)(c) Details of Capital Work-in-Progress whose completion is overdue to its original plan

Name of the Projects	As at March 31 2025				As at March 31 2024			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
HRSS Racks	1	-	-	-	-	-	-	-
Arc Geometry	-	1			-	-	-	-
Amon 2	-	-	-	-	-	34	-	-
Super		-	-	-	-	3	-	-
Labs Set up	2		-	-	41	12	-	-
Vayu	-	-	-	-		-	-	-
Kohinoor	-	-	-	-	26	1	-	-
Susan	-	-	-	-	-	1	-	-
Supreme Pallets for HDR storage		-	-	-	-	-	-	-
Cooled Chiller	1	-	-	-	-	-	-	-

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

Particulars	As at 31-03-2025	As at 31-03-2024
3. Investment property		
Gross Carrying Amount		
At the beginning of the year	1,585	1,461
Additions	4	122
Reclassification	-	2
End of the year	1,589	1,585
Accumulated Depreciation		
At the beginning of the year	208	127
Depreciation charge	81	81
Reclassification	-	-
End of the year	289	208
Net Block	1,300	1,377

The investment property consists of land, building and leasehold improvements held by the Company located in the State of Maharashtra given on long term lease. The fair value of investment property is ₹ 1,392 (Previous year ₹ 1,384) and the same has been determined by an external independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value measurement for investment property has been categorized as Level 2 fair value based on the inputs to the valuation technique used. The valuation techniques used for determining the fair value of the property was based on the prevailing market price of similar property in the same locality. The above investment property includes assets that are subleased and rental income of ₹ 121 (Previous year ₹ 116) has been recognized in the Statement of Profit and Loss.

Note:

Information regarding income and expenditure on Investment property

	FY 2024 - 25	FY 2023 - 24
Rental Income derived from Investment properties	121	116
Direct operating expenses (including repairs and maintenance) generating rental income	3	11
Profit/(Loss) arising from investment properties before depreciation and indirect expenses	118	105
Less: Depreciation	81	81
Profit/(Loss) arising from investment properties before indirect expenses	37	24
Operating Expenses (Including depreciation) arising from investment properties not generating rental income	-	-

4. Contract Balances

Particulars	As at 31-03-2025	As at 31-03-2024
Contract assets	376	371
Current	376	371
Contract liabilities	5,418	5,565
Non-current	2,349	1,534
Current	3,069	4,031

“Contract assets” represent “Unbilled Revenue” for which revenue is earned but not billed to the customers due to different periodical billing cycles. Receipt of consideration is conditional to billing for maintenance contracts and on billing, the amounts recognized as contract assets are reclassified from “Trade Receivables”. They are unsecured and are derived from revenue earned from customers.

“Contract liabilities” include (a) advances received from customers and (b) income received in advance.

Notes to Financial Statements for the year ended March 31, 2025

5 (a) Non-current Financial assets - Trade Receivables

Particulars	As at 31-03-2025	As at 31-03-2024
Trade receivables	347	379
Break up for Trade receivables		
Trade receivables		
Trade receivables - Secured, considered good {(refer note 9(a))}	347	379
Trade receivables - Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	124	98
	471	477
Less: Allowance for Trade Receivable - credit impaired	(124)	(98)
	347	379

Amounts in ₹ Mln

Non-Current Trade Receivables Ageing

Schedule 31 March 2025

Outstanding for following periods from due date of payment	Not Due	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
(1) Undisputed Trade receivables – considered good	347	-	-	-	-	-	347
(2) Undisputed Trade Receivables – credit impaired	-	-	-	124	-	-	124
	347	-	-	124	-	-	471

Non-Current Trade Receivables Ageing

Schedule 31 March 2024

Outstanding for following periods from due date of payment	Not Due	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
(1) Undisputed Trade receivables – considered good	379	-	-	-	-	-	379
(2) Undisputed Trade Receivables – credit impaired	-	-	-	98	-	-	98
	379	-	-	98	-	-	477

PHILIPS INDIA LIMITED

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

5 (b) Non-current Financial assets Investments - Non Current and Current

Non-current : Investment at FVTPL Quoted:	Face value per unit	As at March 31 2025 Units	As at March 31 2024 Units	As at March 31 2025	As at March 31 2024
IL&FS Financial Services Limited					
Secured Non-convertible debenture *	1000	2,12,557	2,12,557	-	-
Unsecured Non-convertible debentures	1000	62,100	62,100	9	14
IL&FS Limited					
Secured Non-convertible debentures*	1000000	63	63	-	7
Secured Non-convertible debentures*	1000	2,84,693	2,84,693	-	29
Roadstar Infra investment Trust (InvIT)					
Units of ROADSTAR INFRA INVESTMENT TRUST **	100	6,00,000	-	60	-
Total Non-current Gross				69	50
Less: Provision for Impairment *	-	-	-	(69)	(50)
Total Non-current Net					
Aggregate book value of quoted investments	-	-	-	-	-
Aggregate market value of quoted investments	-	-	-	-	-

* During FY 24-25, the Company has received ₹18 (Previous Year ₹36) from IL&FS Financial Services Limited on account of interim distribution of investment, resulting in profit ₹7 (Previous Year ₹14) (Current Year ₹18 minus cost ₹11) (Previous Year ₹36 minus cost ₹22) (Refer Note 19).

** During FY 24-25, the company has received 6,00,000 units of Roadstar Infra Investment Trust against investment in NCDs issued by IL&FS and IL&FS Financial Services, as part of interim distribution as approved by the NCLAT by way of its order dated May 31, 2022.

Current Investment at FVTPL Quoted:	Face value per unit	As at March 31 2025 Units	As at March 31 2024 Units	As at March 31 2025	As at March 31 2024
Piramal Capital and Housing Finance Limited					
Secured Non-convertible debenture **	825	65,966	65,966	44	47
Total Current	-	-	-	44	47
Aggregate book value of quoted investments	-	-	-	44	47
Aggregate market value of quoted investments	-	-	-	49	48

** During the year, principal of ₹ 50 (Previous Year ₹ 50) per Non-convertible debenture are redeemed.

5 (c) Non-current Financial assets - Others

Particulars	As at 31-03-2025	As at 31-03-2024
Security Deposits		
- Security Deposits Considered good	200	161
- Security Deposits Credit impaired	-	-
- Less: Allowances for Security Deposits - credit impaired	-	-
	200	161

6. Deferred Tax Assets (net)

(a) Components of Income Tax Expense

(i) Tax expense recognized in Statement of Profit and Loss

	Year 2024-25	Year 2023-24
- Current Tax *	(1,528)	(889)
* includes (a) ₹197(Previous Year ₹34) recognized due to impact of Appendix C to Ind AS 12 and (b) charge of tax provision relating to previous years ₹32 (Previous year release of tax provision ₹111)	(1,528)	(889)

Notes to Financial Statements for the year ended March 31, 2025

6. Deferred Tax Assets (Net) (contd.)

Amounts in ₹ Mln

Deferred Tax expense - credit / (charge)		
- Relating to origination and reversal of temporary differences	141	195
(ii) Tax on Other Comprehensive Income		
Deferred tax		
- Gain / (Loss) on measurement of net defined benefit plans	(16)	8
Total	(1,403)	(686)

(b) Reconciliation of Tax expense and the accounting profit for the year is as under:

	Year 2024-25	Year 2023-24
Profit before tax including OCI	4,543	3,239
Statutory Income tax rate	25.168%	25.168%
Computed tax expense	1,143	815
Differences due to:		
- Expenses not deductible for tax purposes	19	19
- Others	241	(148)
Income tax charged to Statement of Profit and Loss at effective tax rate of 30.9% (Previous year - 21.18%)	1,403	686
Income tax expense reported in Statement of Profit and Loss	1,403	686

(c) Components of Deferred Tax Assets (net) are as follows:

Particulars	Balance Sheet		Recognised in Statement of Profit and Loss	
	As at 31-03-2025	As at 31-03-2024	Year 2024-25	Year 2023-24
Net deferred tax assets/ (liabilities)				
- Provision for employee benefits	194	261	(67)	59
- Doubtful trade receivables and advances	331	268	63	79
- Difference between book and tax depreciation	127	(48)	175	17
- Other timing differences	319	349	(30)	40
Total (A)	971	830	141	195
Re-measurement (gains) / losses on defined benefit plans (B)	(10)	6	(16)	8
Net deferred tax assets/ (liabilities) (A+B)	961	836	125	203

(d) Reconciliation Deferred Tax Assets / (Liabilities) - Net

Particulars	Balance Sheet	
	As at 31-03-2025	As at 31-03-2024
Opening balance as of 1 April	836	633
Tax income/(expense) during the year recognized in profit and loss	141	195
Tax income/(expense) during the year recognized in OCI	(16)	8
Closing balance as at 31 March	961	836

PHILIPS INDIA LIMITED

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

7. Other non-current assets

(Unsecured, considered good unless otherwise stated)

	As at 31-03-2025	As at 31-03-2024
Capital Advances	2	25
Deposits against legal cases	530	489
Considered doubtful	-	-
Deposits against legal cases	66	80
Special additional duty receivables and drawback claims	56	56
Claims receivables	54	54
Less: Allowances for doubtful other loans and advances		
Deposits against legal cases	(66)	(80)
Special additional duty receivables and drawback claims	(56)	(56)
Claims receivables	(54)	(54)
	532	514

8. Inventories (at lower of cost and net realisable value whichever is lower)

	As at 31-03-2025	As at 31-03-2024
Raw Materials	1,885	1,527
Raw Materials-in-Transit	187	148
	2,072	1,675
Work-in-Progress	2,043	3,428
Finished Goods	77	253
Stock-in-Trade (goods purchased for re-sale)	3,761	2,375
Stock-in-Trade (goods purchased for re-sale) - In Transit	328	495
	4,089	2,870
Stores and spares	14	13
	8,295	8,240

9. (a) Current Financial assets - Trade Receivables

Particulars

	As at 31-03-2025	As at 31-03-2024
Trade receivables	6,571	5,199
Trade Receivables from related parties (Note 30)	4,299	3,972
Total	10,870	9,171
Break up for Trade receivables		
Trade receivables		
Trade receivables -Secured, considered good **	1,009	637
Trade receivables - Unsecured, considered good	9,861	8,534
Trade Receivables - credit impaired	659	600
	11,529	9,771
Allowances for Trade Receivables - credit impaired	(659)	(600)
	10,870	9,171

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables other than finance lease receivables are non-interest bearing.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mn

** Additional disclosure relating to finance lease receivables:

Secured trade receivables includes finance lease receivables amounting to ₹607 (31 March 2024 - ₹875) relating to medical equipment leased out by the Healthcare division of the Company. The lease term varies between 5-7 years. The total minimum lease payments for assets given on finance lease is ₹779 (31 March 2024 - ₹1,111) which includes unearned interest of ₹172 (31 March 2024 - ₹236). The maturity profile of finance lease receivable is as follows:

Particulars	As at 31-03-2025	As at 31-03-2024
Minimum lease payments		
Receivable within 1 year	251	340
Receivable between 1-5 years	472	699
Receivable after 5 years	56	72
Total	779	1,111
Present value		
Receivable within 1 year	162	250
Receivable between 1-5 years	395	564
Receivable after 5 years	50	61
Total	607	875
Unearned interest	172	236

Current Trade Receivables Ageing Schedule 31 March 2025

Outstanding for following periods from due date of payment	Not Due	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
(1) Undisputed Trade Receivables – considered good	8,032	2,303	198	126	109	101	10,870
(2) Undisputed Trade Receivables – credit impaired	-	659	-	-	-	-	659
	8,032	2,963	198	126	109	101	11,529

Current Trade Receivables Ageing Schedule 31 March 2024

Outstanding for following periods from due date of payment	Not Due	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
(1) Undisputed Trade Receivables – considered good	4,125	4,230	279	208	235	94	9,171
(2) Undisputed Trade Receivables – credit impaired	-	600	-	-	-	-	600
	4,125	4,830	279	208	235	94	9,771

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

9. (b) Cash and cash equivalents

Particulars	As at 31-03-2025	As at 31-03-2024
Balances with banks:		
– On current accounts	872	972
– Deposits with original maturity of less than three months	1,510	1,650
Other Bank Balances		
Unpaid dividend accounts	91	94
Unspent CSR accounts	-	12
	2,473	2,728

Changes in Liabilities arising from financing activities

Lease Liabilities	As at 31-03-2025	As at 31-03-2024
Opening balance as of 1 April	4,007	1,201
Cash Flows during the year	236	2,806
Closing balance as of 31 March	4,243	4,007
Breakup of Cash flows during the year		
Additions during the year	687	3,407
Deletions/Remeasurements during the year	(126)	30
Interest cost accrued during the year	379	179
Payment of lease liabilities (Principal)	(325)	(631)
Payment of lease liabilities (Interest)	(379)	(179)
Total	236	2,806

9. (c) Current Financial assets - Others

Particulars	As at 31-03-2025	As at 31-03-2024
Interest accrued on deposits with banks	8	1
Government Grants-Considered good	29	69
Government Grants Credit impaired	14	13
Allowances for Government Grants - Credit impaired	(14)	(13)
Security Deposits (Includes earnest money deposits with banks in the nature of fixed deposits)		
Security Deposits Considered good	54	223
Security Deposits Credit impaired	18	11
Allowances for Security Deposits - credit impaired	(18)	(11)
	91	293

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

10. Other Current Assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31-03-2025	As at 31-03-2024
Advance to suppliers (other than related party)	188	326
Advance to suppliers (related party) (Note 30)	1,060	170
CENVAT credit receivable	-	147
GST Input tax credit receivable	829	694
Special additional duty receivables and drawback claims	360	181
Balances with customs and port trust	374	88
Prepaid expenses	179	147
Claims receivables	726	1,086
Advances to employees	4	9
Considered doubtful	-	-
Advance to suppliers	43	27
CENVAT credit receivable	147	-
Claims receivables	104	101
Special additional duty receivables and drawback claims	30	30
Allowances for doubtful other loans and advances	-	-
Advance to suppliers	(43)	(27)
CENVAT credit receivable	(147)	-
Claims receivables	(104)	(101)
Special additional duty receivables and drawback claims	(30)	(30)
Total	3,780	2,848

11. Equity Share Capital

Particulars	As at 31-03-2025	As at 31-03-2024
Authorised Share Capital		
92,000,000 (March 31 2024 - 92,000,000) Equity shares of ₹10 each	920	920
20,000,000 (March 31 2024 - 20,000,000) Non-convertible cumulative preference shares of ₹10 each	200	200
Total	1,120	1,120

Issued, subscribed and fully paid-up

57,517,242 (March 31 2024 - 57,517,242) Equity shares of ₹10 each	575	575
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(a) Reconciliation of the number of equity shares outstanding

	Number of shares	Equity share capital
As at March 31 2023	5,75,17,242	575
Increase / (Decrease) during the year	-	-
As at March 31 2024	5,75,17,242	575
Increase / (Decrease) during the year	-	-
As at March 31 2025	5,75,17,242	575

(b) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share (31 March 2024 : ₹10/- per share). Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

(c) Shares held by holding and the ultimate holding company Koninklijke Philips N.V (KPNV)	As at 31-03-2025	As at 31-03-2024
55,290,182 (March 31 2024 - 55,290,182) Equity shares of ₹10 each	553	553

(d) Details of shareholders holding more than 5% shares of the company	As at 31-03-2025	As at 31-03-2024
Koninklijke Philips N.V (KPNV)		
Number of equity shares held	5,52,90,182	5,52,90,182
% of Holding	96.13	96.13

12. Other Equity

Particulars	As at 31-03-2025	As at 31-03-2024
Retained Earnings		
As at the beginning of the year	14,321	11,768
Add: Profit for the year	3,093	2,575
Items of Other Comprehensive Income (OCI) recognized directly in retained earnings		
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	47	(22)
Total Other Equity	17,461	14,321

The disaggregation of changes in OCI by each type of reserves in equity is disclosed below:

Particulars	As at 31-03-2025	As at 31-03-2024
Re-measurement gains / (losses) on defined benefit plans	63	(30)
Income tax effect on defined benefit plans	(16)	8
	47	(22)

A. Summary of Other Equity

Particulars	As at 31-03-2025	As at 31-03-2024
Retained Earnings	18,167	15,074
Items of OCI	(706)	(753)
Total other Equity	17,461	14,321

B. Description of nature and purpose of each reserve

(i) Retained Earnings

Retained earnings are the accumulated profits earned by the Company till date, less (a) transfer to general reserves, (b) dividend (including dividend distribution tax) and (c) other distributions made to the shareholders. These are free reserves for the Company.

(ii) Re-measurement of Net Defined Benefit Plans

This represents (a) differences between the interest income on plan assets and return actually achieved and (b) any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plan, recognized in Other Comprehensive Income (OCI) and subsequently not reclassified to the Statement of Profit and Loss

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

13. Non-current financial liabilities

Particulars	As at 31-03-2025	As at 31-03-2024
Lease Liabilities	3,651	3,669
	3,651	3,669

14. Other non-current liabilities

Particulars	As at 31-03-2025	As at 31-03-2024
Employee related payables	189	183
	189	183

15. Provisions

Particulars	As at 31-03-2025	As at 31-03-2024
(a) Non-Current		
Provision for employee benefits	859	1,171
Gratuity (refer note 27)	295	643
Compensated absences	387	365
Long Service Awards	177	163
Others	1,386	2,004
Legal and regulatory (refer note 15.1)	1,386	2,004
Total (a)	2,245	3,175
(b) Current		
Provision for employee benefits	74	69
Compensated absences	55	51
Long Service Awards	19	18
Others	402	694
Warranty (refer note 15.1)	247	387
Legal and regulatory (refer note 15.1)	107	257
Decommissioning (refer note 15.1)	48	50
Total (b)	476	763

Additional disclosure relating to provisions

15.1. Movement in other provisions (non-current and current)	Warranty	Legal and Regulatory	Decommissioning	Total
Particulars				
as at 31 March, 2023	228	2,273	38	2,539
Add: Accruals during the year	566	27	44	637
Less: Utilization	(407)	-	(32)	(439)
Less: Write back during the year	-	(39)	-	(39)
Less: Reclassification	-	-	-	-
as at 31 March, 2024	387	2,261	50	2,698
Add: Accruals during the year	292	196	(2)	486
Less: Utilization during the year	(432)	-	-	(432)
Less: Write back during the year	-	(137)	-	(137)
Less: Reclassification*	-	(827)	-	(827)
as at 31 March 2025	247	1,493	48	1,788

* Includes ₹815 pertains to uncertain tax position reclassified to Advance income tax.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

16. Current Financial Liabilities

Particulars	As at 31-03-2025	As at 31-03-2024
(a) Lease Liabilities	592	338
(b) Trade Payables		
Dues to others	5,988	4,863
Dues to related parties	709	2,270
Dues to Micro, Small and Medium Enterprises		
a. Principal amount remaining unpaid to any supplier as at end of the year	348	242
b. Interest due on the above amount	-	-
c. Amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Act, 2006 and amounts of payment made to the suppliers beyond the appointed day during the year	-	-
d. Amount of interest due and payable for the period of delay in making the payment but without adding the interest specified under this Act	-	-
e. Amount of interest accrued and remaining unpaid at the end of the year	-	-
f. Amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises	-	-
	7,045	7,375

Trade payables are non-interest bearing and are normally settled on sixty day terms.

Trade Payables due for payment Ageing Schedule 31-03-2025	Dues to MSME	Dues to Others	Disputed Dues to MSME	Disputed Dues to Others	Total
Outstanding for following periods from due date of payment					
Not Due	323	6,329	-	-	6,652
Less than 1 year	23	322	-	-	345
1 - 2 Years	2	33	-	-	35
2 - 3 Years		1	-	-	1
More than 3 years		12	-	-	12
	348	6,697	-	-	7,045

Trade Payables due for payment Ageing Schedule 31-03-2024	Dues to MSME	Dues to Others	Disputed Dues to MSME	Disputed Dues to Others	Total
Outstanding for following periods from due date of payment					
Not Due	195	6,034	-	-	6,229
Less than 1 year	42	994	-	-	1,036
1 - 2 Years	3	88	-	-	91
2 - 3 Years	2	8	-	-	10
More than 3 years	-	9	-	-	9
	242	7,133	-	-	7,375

Trade payables are non-interest bearing and are normally settled on sixty day terms. The Company has identified enterprises which have provided goods and services and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. The details of overdue amount and interest payable are set out above.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

(c) Other financial liabilities

Particulars	As at 31-03-2025	As at 31-03-2024
Unpaid dividend	91	94
Bank overdraft	1	138
Other payables:		
Payables for purchase of fixed assets (other than micro and small enterprises)	17	174
	109	406

17. Other current liabilities

Particulars	As at 31-03-2025	As at 31-03-2024
Other payables:		
Employee related payables	1,238	1,082
Statutory dues	1,368	1,608
	2,606	2,690

18. Revenue from operations

Particulars	Year 2024-25	Year 2023-24
Sale of goods	29,488	25,917
Sale of services	35,186	33,457
(i) Revenue from contracts with customers	64,674	59,374
(ii) Other operating revenues	746	591
Finance income - leases	44	79
Duty drawback and export incentives	311	242
Miscellaneous*	391	269
Revenue from operations (i+ii)	65,420	59,965

* Includes Lease rental income on Investment Property ₹ 121 (Previous Year ₹ 116).

18 (a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year 2024-25				
	Personal Health	Health Systems	Innovation Services	Other Unallocable	Total
Nature of Goods or Services					
Sale of Goods	7,986	21,502	-	-	29,488
Sale of Services	80	11,138	23,275	693	35,186
Revenue from contracts with customers	8,066	32,640	23,275	693	64,674
Geography					
Within India	7,941	23,598	6	87	31,632
Outside India	125	9,042	23,269	606	33,043
Revenue from contracts with customers	8,066	32,640	23,275	693	64,674
Timing of revenue recognition					
Goods transferred at a point in time	7,986	21,502	-	-	29,488
Services transferred over time	80	11,138	23,275	693	35,186
Revenue from contracts with customers	8,066	32,640	23,275	693	64,674

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

Particulars	Year 2023-24				Total
	Personal Health	Health Systems	Innovation Services	Other Unallocable	
Nature of Goods or Services					
Sale of Goods	7,637	18,280	-	-	25,917
Sale of Services	21	10,058	22,719	659	33,457
Revenue from contracts with customers	7,658	28,338	22,719	659	59,374
Geography					
Within India	7,637	20,663	9	98	28,407
Outside India	21	7,675	22,710	561	30,967
Revenue from contracts with customers	7,658	28,338	22,719	659	59,374
Timing of revenue recognition					
Goods transferred at a point in time	7,637	18,280	-	-	25,917
Services transferred over time	21	10,058	22,719	659	33,457
Revenue from contracts with customers	7,658	28,338	22,719	659	59,374

18 (b) Reconciliation of the amount of revenue recognized in the Statement of Profit and Loss with the contracted price

Particulars	Year 2024-25	Year 2023-24
Revenue as per contracted price	70,263	64,139
Adjustments		
Extended warranties	(4,129)	(3,616)
Significant financing component	-	(117)
Sales returns	(291)	(226)
Rebates	(1,169)	(806)
Revenue from contracts with customers	64,674	59,374

18 (c) Performance obligation:

Sale of products:

Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods.

Sales of services:

The performance obligation in respect of installation services is satisfied upon completion of installation and acceptance of customer. In respect of maintenance services, performance obligation is satisfied over a period of time and acceptance of the customer.

The transaction price allocated to remaining performance obligation (unsatisfied performance obligation-gross) pertaining to sales of services is as follows:

Particulars	Year 2024-25	Year 2023-24
Within one year	3,069	4,031
More than one year	2,349	1,534
	5,418	5,565

Note: The remaining performance obligation expected to be recognized in more than one year relates to extended warranty and maintenance charges received from customer that is to be satisfied over the period of one to twelve years. All other remaining performance obligation are expected to be recognized within one year.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mn

19. Other Income

Particulars	Year 2024-25	Year 2023-24
Interest income (other than on investments)	170	62
Interest income on Current Investments	4	4
Interest on income-tax refund	263	229
Net gain on foreign currency transaction and translation	200	194
Interest income on defined benefit plan	76	81
Interest income on Security Deposits	17	3
Liabilities no longer required written back	137	39
Profit on sale of investments	7	14
Other non-operating income	12	22
	886	648

20. Cost of raw materials consumed

Particulars	Year 2024-25	Year 2023-24
Inventory of raw materials at the beginning of the year	1,527	1,388
Add: Purchases	4,478	4,213
Less: Inventory of raw materials at the end of the year	1,885	1,527
Cost of raw materials consumed	4,120	4,074

21. Purchases of stock-in-trade (goods purchased for resale)

	23,442	21,310
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22. Changes in inventories of finished goods, stock-in-trade and work-in-progress

Stock at the beginning of the year		
Finished goods	253	76
Work-in-Progress	3,428	2,258
Stock-in-trade (goods purchased for resale)	2,375	2,961
Total	6,057	5,295
Stock at the end of the year		
Finished goods	77	253
Work-in-Progress	2,043	3,428
Stock-in-trade (goods purchased for resale)	3,761	2,375
	5,881	6,057
Changes in inventories of finished goods, stock-in-trade and work-in-progress	176	(762)

23. Employee benefits expense

Particulars	Year 2024-25	Year 2023-24
Salaries, wages and bonus	19,948	19,995
Contribution to provident and other funds	805	758
Defined benefit plan expense	251	232
Expense on Employee Stock Option Schemes*	216	225
Staff welfare expenses	544	440
*Refer Note 28	21,764	21,649

24. Finance costs

Interest on Lease Liabilities (refer note 2)	379	179
Net interest on the net defined benefit liability	117	99
Other interest expense	73	107
Total interest expense	569	385
Unwinding of discount and effect of changes in discount rate on provisions	2	3
Total Finance costs	571	388

PHILIPS INDIA LIMITED

Notes to Financial Statements for the year ended March 31, 2025

Particulars	Amounts in ₹ Mln	
	Year 2024-25	Year 2023-24
25. Depreciation and amortization expense		
Depreciation of property, plant & equipment (Refer note 2)	965	549
Depreciation of Investment property ((Refer note 3)	81	81
Depreciation of Right of Use Assets (Refer note 2)	701	796
	1,747	1,426
26. Other expenses		
Power and fuel	250	277
Packing, freight and transport	648	460
Rent	154	152
Repairs to buildings	5	27
Repairs to plant and machinery	4	2
Insurance	97	119
Rates and taxes	6	2
Travelling and conveyance	803	908
Legal and professional	1,830	1,379
Publicity	1,467	1,372
IT and Communication	1,683	1,590
Fees for services from Holding company and Fellow Subsidiary Company	306	271
Allowance for doubtful trade receivables and advances	335	388
Warranty	292	566
Miscellaneous Expenses	2,126	1,746
	10,006	9,259
Legal and professional includes payments to auditors as given below:		
Statutory audit fees	5.2	5.2
Tax audit fees	2.5	2.6
Certification fees	1.8	3.3
Miscellaneous include:		
Undepreciated value of property, plant & equipment written-off / provided for	32	47
Handling charges	93	89
Royalty	388	321
Commission	35	49
Corporate Social Responsibility Expense	74	77
Details of CSR Expenditure:		
a) Gross amount required to be spent by the Company during the year	62	56
b) Amount approved by the board to be spent during the year	62	56
c) Amount spent during the year		
i) For Purposes mentioned below:		
- In Cash	1	5
- Yet to be paid in Cash	-	-
ii) On purposes other than (i) above		
- In Cash	61	51
- Yet to be paid in Cash		
d) Total of previous years' shortfall	-	-
Nature of CSR Activities	The key focus is on healthcare, particularly the well-being of women, children, and adolescents, promoting healthy lifestyles, preventive care, and improved access to quality medical services for underserved communities.	The key focus is on healthcare, particularly the well-being of women, children, and adolescents, promoting healthy lifestyles, preventive care, and improved access to quality medical services for underserved communities.

Notes to Financial Statements for the year ended March 31, 2025

Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)

Opening Balance as at 1 April 2024		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at 31 March 2025	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	12	-	-	12	-	-

In case of S. 135(5) (Other than ongoing project)

Opening Balance as at 1 April 2024	Amount deposited in Specified Fund of Sch.VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at 31 March 2025
-	-	62	62	-

In case of S. 135(6) (Ongoing Project)

Opening Balance as at 1 April 2023		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at 31 March 2024	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	33	-	-	21	-	12

In case of S. 135(5) (Other than ongoing project)

Opening Balance as at 1 April 2023	Amount deposited in Specified Fund of Sch.VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at 31 March 2024
-	-	56	56	-

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

27. Gratuity and other post-employment benefit plans (As per Ind AS 19 Employee Benefits)

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

Contribution to Defined Contribution Plan, recognised as expense for the year is as under

Particulars	Year 2024-25	Year 2023-24
Employer's Contribution towards Provident Fund (PF)	805	758

The Company has a defined gratuity benefit plan which is governed by Payment of Gratuity Act, 1972. Under the Act, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at the retirement age. The Company covers the liability towards employees' gratuity managed through Income Tax recognized trust. Annual contributions are made to the employee's gratuity fund, established with the insurance company based on an actuarial valuation carried out as at 31 March each year. The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the amounts recognized in the balance sheet.

Statement of Profit and Loss

Net employee benefit expense (recognized in Employee Cost)

Particulars	Year 2024-25	Year 2023-24
Current service cost	251	232
Interest cost on benefit obligation	117	99
Interest (income) on plan assets	(76)	(81)
Net actuarial (gain)/ loss recognized in the year	(63)	30
Expenses recognized in the statement of profit & loss and Other Comprehensive Income	229	280

The gratuity expense has been recognized in "Employee benefits expenses" under note 23 to the Financial Statements

27. Gratuity and other post-employment benefit plans (As per Ind AS 19 Employee Benefits)

Changes in the present value of the defined benefit obligation:

Particulars	Gratuity	
	Year 2024-25	Year 2023-24
A. Present value of obligations as at beginning of the year	1,705	1,457
(1) Current service cost	251	232
(2) Interest cost	117	99
(3) Benefits settled	(150)	(123)
(4) Actuarial (gain) / loss	(48)	40
Present value of obligations as at end of the year	1,875	1,705

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mn

Changes in the fair value of plan assets as at 31 March 2025

Particulars

Gratuity

	Year 2024-25	Year 2023-24
B. Change in Plan Assets		
Plan assets as at beginning of the year	1,062	1,083
(1) Interest Income	76	81
(2) Contributions	550	-
(3) Benefits settled	(123)	(113)
(4) Employer and Employee contribution	27	11
(5) Benefit payments from employer	(27)	(10)
(6) Asset gain / (loss)	15	10
Plan assets as at end of the year	1,580	1,062
Surplus / (Deficit)	(295)	(643)
C. Actual return on plan assets	91	91
D. Reconciliation of present value of the obligation and the fair value of the plan assets:		
(1) Present value of obligations at end of the year	(1,875)	(1,705)
(2) Fair value of Plan assets	1,580	1,062
Liability recognized in Balance Sheet	(295)	(643)
E. Components of Employer Expense:		
(1) Current service cost	251	232
(2) Interest cost	117	99
(3) Interest (income) on plan assets	(76)	(81)
(4) Actuarial (gain) / loss	(63)	30
Total expense recognized in Statement of Profit and Loss	229	280
F. Experience Adjustments		
Particulars	Gratuity (Funded)	
	2024-25	2023-24
Defined Benefit Obligations	1,875	1,705
Plan Assets	1,580	1,062
Surplus/(Deficit)	(295)	(644)
Experience adjustments on Plan assets/liabilities (gain) / loss	22	(67)

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

G. Assumptions

Particulars	Gratuity	
	2024-25	2023-24
Financial Assumptions		
Discount factor (%)	6.80%	7.20%
Estimated rate of return on Plan Assets (%)	6.80%	7.20%
Salary Increase (%)	For DMC Factory 15% p.a. 7% p.a. for Others	8.00%

Demographic Assumptions

Mortality	IALM (2006-08)	IALM (2012-14)
Attrition rate (%)	10%	10%
Retirement age (Years)	For DMC Factory 58 Year and 60 Year for Others	60

H. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Defined benefit obligation

	As at 31-03-2025	As at 31-03-2024
Discount rate		
a. Discount rate - 100 basis points	2,018	1,840
b. Discount rate + 100 basis points	1,750	1,588
Salary increase rate		
a. Rate - 100 basis points	1,758	1,595
b. Rate + 100 basis points	2,006	1,829

I. Maturity profile of defined benefit obligation

Particulars	As at 31-03-2025	As at 31-03-2024
Within the next 12 months (next annual reporting period)	172	151
Between 1 and 5 years	1,001	878
Between 5 and 10 years	1,719	1,707
Total expected payments	2,892	2,736

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

28. Employees' Share-based Payments

Certain employees of the company are eligible for stock options granted by the Holding Company ("KPNV"). The Company has to pay KPNV an amount equivalent to the value of KPNV shares on the date of vesting, delivered to the employee.

In conformity with the guidance note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India (ICAI) in respect of the grants made on or after 1 April 2005, the following disclosures are made:

(a) Method adopted for valuation

Stock compensation expenses under the "Fair Value Method" are determined based on the "Fair Value of the Options" and amortised over the vesting period. The "Fair Value of the Options" is determined using "Black-Scholes" option pricing model.

(b) Nature and extent of Employee Share-based Payment Plans:

As from 2003 onwards, the Holding Company (KPNV) issued restricted share rights that vest in equal annual instalments over a three-year period. Restricted shares are KPNV's shares that the grantee will receive in three successive years, provided the grantee is still with the Company on the respective delivery dates. If the grantee still holds the shares after three years from the delivery date, Philips will grant 20% additional (premium) shares, provided the grantee is still with Philips. As from 2002, the Holding Company granted fixed stock options that expire after 10 years. Generally, the options vest after 3 years; however, a limited number of options granted to certain employees of acquired businesses contain accelerated vesting. In prior years, fixed and variable (performance) options were issued with terms of ten years, vesting one to three years after grant.

In 2013, a new Plan has been introduced which consists of performance shares only. The performance is measured over a three-year performance period. The performance shares vest three years after the grant date. The number of performance shares that will vest is dependent on achieving performance conditions, which are equally weighted, and provided that the grantee is still employed with the Company.

Restricted shares exclude 20% additional (premium) shares that may be received if shares awarded under the restricted share rights plan are not sold for a three-year period.

(c) Method and assumptions for arriving at the Fair Value of Restricted Shares:

The fair value of restricted shares is equal to the Fair Value of the stock at grant date net of the present value of dividends which will not be received up to the vesting date. The expected dividend used is the dividend of the preceding year.

(d) Method and assumptions for arriving at the Fair Value of Performance Shares:

The fair value of the performance shares is measured based on Monte-Carlo simulation, which takes into account dividend payments between the grant date and the vesting date by including the reinvested dividends as well as the market conditions expected to impact relative total shareholder's return performance in relation to selected peers.

The following weighted average assumptions for the 2024-25 grants.

1. Risk free interest rate	2.72%
2. Expected share price volatility	39%

(e) Number and weighted average grant-date fair value of Stock Options (EUR)

Grant Date	Weighted average grant-date fair value of the share (in Euros)	Outstanding as at 1 April 2024	Grants	Cancellation	Transfer in / (out)	Exercised	Outstanding as at 31 March 2025	Exercisable
April 28, 2023	23.82	96,000	-	(37,500)	-	-	58,500	58,500
	-	-	-	(37,500)	-	-	58,500	58,500
Previous Year	-	-	1,59,000	(63,000)	-	-	96,000	96,000

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

28 Employees' Share-based Payments (contd.)

(f) Number and weighted average grant-date fair value of Stock Options (USD)

Grant Date	Weighted average grant-date fair value of the share (in USD)	Outstanding as at 31 March, 2024	Grants	Cancellation	Transfer in / (out)	Delivered	Outstanding as at 31 March 2025	Exercisable
April 28, 2023	26.16	37,500	-	-	(37,500)	-	-	-
	-	37,500	-	-	(37,500)	-	-	-
Previous Year	-	-	37,500	-	-	-	37,500	37,500

(g) Number and weighted average grant date fair value of Restricted Shares (EUR)

Grant Date	Weighted average grant-date fair value of the share (in Euros)	Outstanding as at 1 April 2024	Grants	Cancellation	Transfer in / (out)	Delivered	Outstanding as at 31 March 2025
April 30, 2021	51.01	16,448	-	(421)	(105)	(15,922)	-
June 9, 2021	51.01	305	-	(8)	(2)	(295)	-
July 30, 2021	32.49	610	-	-	-	(610)	-
April 29, 2022	21.20	49,981	-	(5,194)	(658)	(2,023)	42,106
June 8, 2022	21.20	2,468	-	(206)	(28)	(691)	1,543
July 29, 2022	15.06	2,298	-	-	-	(916)	1,382
October 28, 2022	6.87	6,183	-	(290)	-	(1,933)	3,960
February 3, 2023	8.86	4,049	-	(229)	(229)	-	3,591
April 28, 2023	23.82	72,844	-	(8,037)	(1,868)	(4,780)	58,159
May 18, 2023	23.82	6,942	-	(643)	(129)	(1,215)	4,954
July 28, 2023	24.10	586	-	-	-	-	586
October 27, 2023	22.86	4,331	-	-	(284)	-	4,047
January 29, 2024	21.21	-	567	-	-	-	567
May 7, 2024	28.80	-	78,173	(4,403)	(1,052)	-	72,718
May 16, 2024	28.80	-	7,230	(378)	(105)	(124)	6,623
July 29, 2024	32.89	-	3,147	(103)	(206)	-	2,838
October 28, 2024	27.88	-	6,663	(135)	-	-	6,528
February 19, 2025	24.50	-	296	-	-	-	296
		1,67,046	96,076	(20,048)	(4,666)	(28,510)	2,09,898
Previous Year		1,19,845	94,674	(15,413)	(5,787)	(26,273)	1,67,046

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

28 Employees' Share-based Payments (contd.)

(h) Number and weighted average grant date fair value of Restricted Shares (USD)

Grant Date	Weighted average grant-date fair value of the share (in USD)	Outstanding as at 1 April 2024	Grants	Cancellation	Transfer in / (out)	Delivered	Outstanding as at 31 March 2025
April 30, 2021	61.85	791	-	-	-	(791)	-
June 9, 2021	61.85	15	-	-	-	(15)	-
April 29, 2022	22.35	4,673	-	-	(4,673)	-	-
June 8, 2022	22.35	201	-	-	(171)	(30)	-
April 28, 2023	26.16	4,215	-	-	(3,853)	(362)	-
May 18, 2023	26.16	443	-	-	(389)	(54)	-
May 7, 2024	31.00	-	5,552	-	(5,552)	-	-
	-	10,337	5,552	-	(14,638)	(1,251)	-
Previous Year	-	6,895	4,658	-	-	(1,215)	10,337

(i) Number and weighted average grant date fair value of Performance Shares (USD)

Grant Date	Weighted average grant-date fair value of the share (in USD)	Outstanding as at 1 April 2024	Grants	Cancellation	Transfer in / (out)	Delivered	Outstanding as at 31 March 2025
April 30, 2021	61.85	791	-	(653)	-	(138)	-
June 9, 2021	61.85	15	-	(12)	-	(3)	-
April 29, 2022	22.35	9,489	-	-	(9,489)	-	-
June 8, 2022	22.35	377	-	(24)	(348)	(5)	0
April 28, 2023	26.16	7,823	-	-	(7,823)	-	-
May 18, 2023	26.16	827	-	(31)	(790)	(7)	(0)
May 7, 2024	31.00	-	11,273	-	(11,273)	-	-
	-	19,322	11,273	(720)	(29,723)	(153)	(0)
Previous Year	-	11,887	8,650	(996)	-	(219)	19,322

(j) Number and weighted average grant date fair value of Performance Shares (EUR)

Grant Date	Weighted average grant-date fair value of the share in USD	Outstanding as at 31 March, 2024	Grants	Cancellation	Transfer in / (out)	Delivered	Outstanding as at 31 March 2025
April 30, 2021	51.01	19,755	-	(16,285)	(105)	(3,365)	0
June 9, 2021	51.01	367	-	(302)	(2)	(62)	0
July 30, 2021	32.49	1,038	-	(856)	-	(182)	-
April 29, 2022	21.20	54,148	-	(7,773)	(658)	-	45,717
June 8, 2022	21.20	2,760	-	(924)	(28)	(132)	1,676
July 29, 2022	15.06	1,485	-	-	-	-	1,485
October 28, 2022	6.87	4,348	-	(290)	-	-	4,058
February 3, 2023	8.86	4,049	-	(229)	(229)	-	3,591
April 28, 2023	23.82	78,408	-	(10,683)	(1,868)	-	65,857
May 18, 2023	23.82	7,442	-	(1,670)	(129)	(167)	5,474
July 28, 2023	24.10	586	-	-	-	-	586

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

Grant Date	Weighted average grant-date fair value of the share in USD	Outstanding as at 31 March, 2024	Grants	Cancellation	Transfer in / (out)	Delivered	Outstanding as at 31 March 2025
October 27, 2023	22.86	4,331	-	-	(284)	-	4,047
January 29, 2024	21.21	-	567	-	-	-	567
May 7, 2024	28.80	-	85,197	(4,403)	(1,052)	-	79,743
May 16, 2024	28.80	-	7,801	(410)	(105)	(7)	7,279
July 29, 2024	32.89	-	3,147	(103)	(206)	-	2,838
October 28, 2024	27.88	-	4,605	(135)	-	-	4,470
February 19, 2025	24.50	-	296	-	-	-	296
		1,78,717	1,01,613	(44,064)	(4,666)	(3,916)	2,27,684
Previous Year		1,27,148	1,00,878	(37,155)	(7,832)	(4,322)	1,78,717

(k) Expense Recognition :

Particulars

Expense recognized on account of "Employee Share-Based Payment"

31-Mar- 25

31-Mar-23

216

225

Carrying liability

466

327

Employee Share Purchase Plan:

Under the terms of Employee Share Purchase Plan established by the Holding Company, substantially all employees are eligible to purchase a limited number of KPNV shares at discounted prices through payroll withholdings, of which the maximum range is 10% of total salary. Generally, the discount provided to the employees is in the range of 10% to 20%.

Particulars

31-Mar- 25

31-Mar-23

Number of shares bought during the year by the employees

1,06,275

1,47,504

Average purchase price (in Euro)

25.14

19.21

29. Commitments and contingencies

Particulars	As at 31-03-2025	As at 31-03-2024
a. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	127	593
b. Contingent liabilities		
(i) Relating to Philips India Limited		
Disputed Excise demands	11	11
Income Tax demands	8,313	8,335
Provident Fund demands	2,492	2,492
VAT	677	1,030
GST	2,433	259
Service Tax demands	21	21
Bank Gaurantees	2,211	1,964
Customs Duty	154	329
(ii) Of the above, relating to Philips India Limited - Erstwhile Lighting Business		
VAT	574	581

As per the MOU (Memorandum of Understanding) dated 31 March 2016 signed between Philips India Limited and Philips Lighting India Limited at the time of demerger of lighting business, the tax cases up to the effective date of demerger shall be contested by Philips India Limited and the amount of liability, if any, upon conclusion of case relating to lighting business shall be payable by Philips Lighting India Limited to Philips India Limited on the basis of respective segment turnover (agreed as part of MOU) of relevant years.

In respect of suppliers' / customers' demands and certain tenancy / customs / sales tax / service tax disputes for which the liability is not ascertainable.

It is not practicable to estimate the timing of cash outflows, if any, in respect of above pending resolution of the legal proceedings.

Notes to Financial Statements for the year ended March 31, 2025

30. Related party transactions (As per Ind AS 24 Related Party Disclosures)

Enterprises exercising control:

Holding and ultimate holding company

Koninklijke Philips N.V (KPNV)

Other Related Parties with whom transactions have taken place during the year:

(I) Fellow Subsidiary Companies (as per list given below)

Braemar Manufacturing, LLC	Societe Anonyme of Electrotechnical Products and Medical Systems
Capsule Technologies, Inc.	Philips Ibérica, S.A.U.
CardioNet, LLC	Philips Image Guided Therapy Corporation
Intact Vascular, Inc.	Philips International B.V.
P.T. Philips Industries Batam	Philips Japan, Ltd.
Philips (China) Investment Company, Ltd.	Philips Korea Ltd.
Philips (Thailand) Ltd.	Philips Magyarország Kereskedelmi Kft.
Philips AG	Philips Malaysia Sdn. Bhd.
Philips Aktiebolag	Philips Medical Systems (Cleveland), Inc.
Philips Argentina Sociedad Anonima	Philips Medical Systems DMC GmbH
Philips Austria GmbH	Philips Medical Systems Ltda.
Philips Belgium Commercial	Philips Medical Systems Nederland B.V.
Philips Caribbean Panama, Inc.	Philips Medical Systems Technologies Ltd.
Philips Ceska republika s.r.o.	Philips Medizin Systeme Boblingen GmbH
Philips Chilena S.A.	Philips México Commercial, S.A. de C.V.
Philips Clinical Informatics - Sistemas de Informacao Ltda.	Philips Nederland B.V.
Philips Colombiana S.A.S.	Philips New Zealand Commercial Limited
Philips Consumer Lifestyle B.V.	Philips Norge AS
Philips CS Corporation	Philips North America LLC
Philips Danmark A/S	Philips Oral Healthcare B.V.
Philips do Brasil Ltda.	Philips Oral Healthcare, LLC
Philips Domestic Appliances and Personal Care Company of Zhuhai SEZ, Ltd.	Philips Oy
Philips DS North America LLC	Philips Philippines, Inc.
Philips East Africa Limited	Philips Polska Sp.z.o.o.
Philips Egypt (Limited Liability Company)	Philips Portuguesa, S.A.
Philips Electronics (Israel) Ltd.	Philips Romania S.R.L.
Philips Electronics Australia Limited	Philips RS North America LLC
Philips Electronics Bangladesh Private Limited	Philips Saeco Australia Pty. Limited
Philips Electronics Ireland Limited	Philips SEM S.A.
Philips Electronics Middle East & Africa B.V.	Philips Societa per Azioni
Philips Electronics Nederland B.V.	Philips South Africa Commercial (Proprietary) Ltd.
Philips Electronics Singapore Pte Ltd	Philips Ultrasound LLC
Philips Electronics UK Limited	Philips Vietnam Limited
Philips Export B.V.	Philips VitalHealth Software India Private Limited
Philips France Commercial	PT Philips Indonesia Commercial
Philips Global Business Services LLP	Remote Diagnostic Technologies Limited
Philips GmbH	Spectranetics LLC
Philips Health Technology (China) Co., Ltd.	Telcare Medical Supply, LLC
Philips Healthcare (Suzhou) Co., Ltd.	TR Management Company, LLC
Philips Healthcare Informatics, Inc.	Turk Philips Ticaret Anonim Sirketi
Philips Healthcare Saudi Arabia Limited	VISICU, Inc.
Philips Hellas Single Member Commercial and Industrial	Volcano Europe

PHILIPS INDIA LIMITED

Notes to Financial Statements for the year ended March 31, 2025

(2) Key Management Personnel

Executive Directors:

Mr. Daniel Mazon (Resigned effective from close of business hours 17-07-2024)

Mr. Bharath Ram Raman Sessa (Managing Director & Wholetime Director effective 01-09-2024).

Mr. Dev Kumar Tripathy (Executive Director effective 15-12-2023 and CFO effective 31-08-2023)

Mr. Harish Chawla (Additional Director & Wholetime Director effective 18-07-2024).

Non-Executive Directors:

Mr. Angarai Dorairajan Aditya Ratnam (Chairman).

Mr. S. M. Datta (Resigned effective from close of business hours 17-07-2024)

Ms. Geetu Gidwani Verma

Ms. Indu Ranjit Shahani (effective from 05-03-2025)

Company Secretary:

Ms. Swati Batra (Company Secretary effective from 18-09-2024)

Notes to Financial Statements for the year ended March 31, 2025

30(a) Related party transactions (As per Ind AS 24 Related Party Disclosures) contd..

Amounts in ₹ Mln

d. Nature of transactions

Particulars	Ultimate Holding Company		Fellow Subsidiary Companies		Key Management Personnel	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Purchases						
Goods	-	-	15,766	16,371	-	-
Property, Plant and Equipment	-	-	101	125	-	-
Services	376	305	1,911	1,274	-	-
Reimbursements	211	225	40	38	-	-
Others	-	-	-	-	-	-
Sales	-	-	-	-	-	-
Goods	-	-	4,942	3,867	-	-
Property, Plant and Equipment	-	-	-	-	-	-
Services	4,329	3,779	24,272	23,564	-	-
Reimbursements	-	639	-	-	-	-
Others	-	-	-	-	-	-
Key Management Personnel	-	-	-	-	-	-
Mr. Daniel Mazon	-	-	-	-	70	107
Mr. Bharath Ram Raman Sesha	-	-	-	-	26	-
Mr. Dev Kumar Tripathy	-	-	-	-	17	9
Mr. Harish Chawla	-	-	-	-	9	-
Mr. Angarai Dorairajan Aditya Ratnam	-	-	-	-	1	-
Mr. S. M. Datta	-	-	-	-	-	2
Mrs. Geetu Gidwani Verma	-	-	-	-	1	1
Ms. Swati Batra	-	-	-	-	2	-
Mr. Sudeep Agrawal	-	-	-	-	-	10
Ms. Pooja Bedi	-	-	-	-	-	17
Outstandings						
Payable	79	209	630	2,061	-	-
Receivable	630	335	4,729	3,807	-	-

Note: Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and will be settled in cash.

Compensation of key management personnel of the company

Particulars	2024-25	2023-24
Short-term employee benefits	124	138
Post-employment benefits*	4	8
	<u>128</u>	<u>146</u>

* Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognized as per Ind AS 19 - "Employee Benefits" in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

30 (b). Related Party Transactions contd..

Relationship / Name of the related party	Description of the nature of transaction	Value of Transactions*	
		2024-25	2023-24
Ultimate Holding Company:			
Koninklijke Philips N.V.	Import of Services	376	305
Koninklijke Philips N.V.	Reimbursements paid	211	225
Koninklijke Philips N.V.	Export of Services	4,329	3,779
Koninklijke Philips N.V.	Reimbursements Received	-	639
Fellow subsidiary Companies:			
Philips Medical Systems Nederland B.V.	Export of Services	8,835	-
Philips Medical Systems DMC GmbH	Export of Services	-	8,128
Philips Medical Systems Nederland B.V.	Export of Goods	4,942	-
Philips Medical Systems DMC GmbH	Export of Goods	-	3,797
Philips Consumer Lifestyle B.V.	Import of Services	282	268
Philips Electronics Nederland B.V.	Import of Services	976	720
Philips Consumer Lifestyle B.V.	Import of Goods	3,263	3,657
Philips Electronics Singapore Pte Ltd	Import of Goods	3,011	3,406
Philips Medical Systems Nederland B.V.	Import of Goods	4,068	3,391
Philips Ultrasound LLC	Import of Goods	1,763	-
Philips International B.V.	Reimbursements paid	40	38
Philips Medical Systems Nederland B.V.	Import of Fixed assets	57	78
Philips (China) Investment Company, Ltd.	Import of Fixed assets	12	23
Philips Electronics Singapore Pte Ltd	Import of Fixed assets	18	-

* represents material transactions of the same type with related parties during the year which comprise more than 10% of aggregate value of transactions.

31. Significant accounting judgments, estimates and assumptions

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Judgments

In the process of applying the company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

- **Leases**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

- **Revenue from contract with customers**

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers, such as identifying performance obligations in a bundled sales transactions, wherein, the Company sell goods and maintenance/ warranty services separately or bundled together with sales of goods. In certain non-standard contracts, where the Company provides extended warranties in respect of sale of consumer durable goods, the Company allocated the apportion of the transaction price to goods bases on its relative standalone prices. Also, certain contracts of sale includes volume rebates that give rise to variable consideration. In estimating the variable consideration the Company has used a combination of most likely amount method and expected value method. Further, in respect of long term contracts, the Company has used the incremental borrowing rate to the discount the consideration as this is the rate which commensurate with rate that would be reflected in separate financing arrangement between the Company and its customer.

- (ii) **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

- **Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

- **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 27.

- **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 33 and 34 for further disclosures.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

• **Warranty**

The Company periodically assesses and provides for the estimated liability on warranty given on sale of its products based on past performance of such products.

• **Provision for decommissioning**

As part of the identification and measurement of assets and liabilities, the Company recognizes provision for decommissioning obligations associated with Leasehold Improvements. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and the expected timing of those costs. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The carrying amount of the provision as at 31 March 2025 was ₹48 (31 March 2024: ₹50). The Company estimates that the costs would be realised upon the expiration of the lease period.

32. Forward Contracts:

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The information on forward contracts is as follows:

While the Company entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of its receivable and payables on balance sheet date, these forward contracts are not designated as hedging instruments and accordingly hedge relationships is not established as per accounting standard, further these contracts are measured at fair value through profit or loss.

(a) Foreign exchange currency exposures covered by Forward Contracts

Details	As at 31-03-2025		As at 31-03-2024	
	INR	FC	INR	FC
	Receivables			
USD Currency	3,019	35	4,913	59
Euro Currency	301	3	202	2
	Payables			
USD Currency	5,935	69	4,974	60
Euro Currency	760	8	619	7

(b) Foreign exchange currency outstanding

Details	As at 31-03-2025		As at 31-03-2024	
	INR	FC	INR	FC
	Receivables			
USD Exposure	3,335	39	-	-
EUR Exposure	-	-	35	1
	Payables			
EUR Exposure	461	5		
AUD Exposure	4		3	
GBP Exposure	-	-	1	
CNY Exposure	25	2	6	1
SGD Exposure			-	-
TRY Exposure	4	2	-	-
CAD Exposure			-	-

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

33. Financial Instruments -Financial assets and financial liabilities

The accounting classification of each category of financial instrument their carrying amounts and their fair value amounts are set out below:-

Financial Assets	Fair value through Profit or loss		Amortised cost		Total carrying value		Total fair value	
	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024
Trade Receivables (Non-Current)	-	-	347	379	347	379	347	379
Other Financial Assets (Non-Current)	-	-	200	161	200	161	200	161
Trade receivables (Current)	-	-	10,870	9,171	10,870	9,171	10,870	9,171
Investments (Current)	44	47			44	47	44	47
Cash and cash equivalents	-	-	2,473	2,728	2,473	2,728	2,473	2,728
Other Financial Assets (Current)	-	-	91	293	91	293	91	293
Total	44	47	13,980	12,732	14,025	12,779	14,025	12,779

Financial Liabilities	Fair value through Profit or loss		Amortised cost		Total carrying value		Total fair value	
	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024
Lease Liabilities (Non-Current)	-	-	3,651	3,669	3,651	3,669	3,651	3,669
Lease Liabilities (Current)	-	-	592	338	592	338	592	338
Trade Payables(Current)	-	-	7,045	7,375	7,045	7,375	7,045	7,375
Other Financial Liabilities(Current)	-	-	109	406	109	406	109	406
Total	-	-	11,397	11,788	11,397	11,788	11,397	11,788

The management assessed that the fair value of cash and cash equivalents,trade receivables,trade payables,current lease liabilities,other current financial assets and liabilities approximate the carrying amount largely due to short-term maturity of these financial instruments.Non-current financial assets and liabilities are discounted using an appropriate discount rate where time value of money is material.Management uses its best judgement in estimating the fair valueof its financial instruments.As such,fair value of financial instruments subsequent to reporting dates maybe different from the amounts reported at each reporting date.

34. Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

1. The following table provides the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets:

Financial liabilities measured at fair value through profit or loss	Level 1		Level 2		Level 3		Total	
	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024
Investments	44	47	-	-	-	-	44	47

2. Assets and liabilities that are disclosed at amortised cost (refer note 33) for which fair values are disclosed are classified as Level 3

Current financial asset and current financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature. Non current financial assets and non current financial liabilities have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows.

35. Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at 31st March, 2025, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans

Particulars	Year 2024-25	Year 2023-24
Earnings before interest and tax	4,521	3,279
Capital employed	18,036	14,896
Return on Capital Employed (ROCE %)	25.1%	22.0%

36. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31 2025. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2025 and as of March 31, 2024.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases.

Foreign currency risk sensitivity:

The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

Change in US\$ rate	Effect on profit before tax		Effect on total equity	
	Year 2024-25	Year 2023-24	Year 2024-25	Year 2023-24
5%	167.78	36.18	(166.78)	(35.18)
-5%	(167.78)	(36.18)	166.78	35.18

Change in Euro rate	Effect on profit before tax		Effect on total equity	
	Year 2024-25	Year 2023-24	Year 2024-25	Year 2023-24
5%	(23.07)	(18.74)	24.07	19.74
-5%	23.07	18.74	(24.07)	(19.74)

(b) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance as at March 31, 2025 and as at March 31, 2024.

Our historical experience of collecting receivables is that credit risk is low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Hence, trade receivables are considered to be a single class of financial assets.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made in bank deposits. The limits are set to minimise the consultation of risk and therefore mitigate financial loss through counterparty potential failure to make payments.

The Company maintains exposure in cash and cash equivalents and term deposits with banks. The Company has set counter-party's limits based on multiple factors including financial position, credit rating etc. The Company's maximum exposure to credit risk as at 31st March, 2025 and 2024 is the carrying value of each class of financial assets as illustrated in note 5 & 9.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

(c) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2025 and 31st March, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Financial Liabilities	Undiscounted Amount							
	Carrying amount		Payable within 1 year		More than 1 year		Total	
	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024	As at March 31 2025	As at March 31 2024
Lease Liabilities (Non-Current)	3,651	3,669	-	-	3,651	3,669	3,651	3,669
Lease Liabilities (Current)	592	338	592	338	-	-	592	338
Trade Payables (Current)	7,046	7,375	7,046	7,375	-	-	7,046	7,375
Other Financial Liabilities (Current)	109	406	109	406	-	-	109	406
Total	11,398	11,788	7,747	8,119	3,651	3,669	11,398	11,788

37. The Company has been sanctioned working capital limits of ₹370 (Previous year ₹1600) in aggregate from banks during the year on the basis of security of current assets of the Company.

The Company has not utilized any credit limit during the year and surrendered the fund based limit to State Bank of India on November 19, 2024.

Further, being a non fund based limit there is no requirement for filing quarterly stock statement by the Company with the bank. Limit outstanding as at March 31, 2025 and March 31, 2024 are as below are in agreement with the audited books of accounts.

Particulars	As at March 31, 2025	As at March 31, 2024
Fund based limit	-	1230
Non Fund limit	370	370

38. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to owners of the company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	Year 2024-25	Year 2023-24
Calculation of earnings per share		
Weighted average number of equity shares outstanding during the year *	5,75,17,242	5,75,17,242
Profit after tax attributable to equity share holders	3,093	2,575
Basic and diluted earnings per equity share (in ₹)	53.78	44.78

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

39. Segment Information (As per Ind AS 108 Operating Segments)

A: PRIMARY SEGMENT INFORMATION:

(1) Segment Revenue

- a. Personal Health
- b. Innovation services
- c. Health Systems

Total Segment Revenue

Year 2024-25

Year 2023-24

8,066	7,659
23,298	22,738
33,360	28,891
64,724	59,288

(2) Inter Segment Revenue

- a. Personal Health
- b. Innovation services
- c. Health Systems

Total Inter Segment Revenue

-	-
-	-
-	-
-	-

(3) Other Unallocable Income

Total Revenue from operations (1+2+3)

695	677
65,420	59,965

(4) Segment Result

- a. Personal Health
- b. Innovation services
- c. Health Systems

Total Segment Result

319	(5)
2,238	2,086
1,980	1,264
4,537	3,345

(5) Finance Cost

(6) Other Unallocable Expenditure Net of Income

(571)	(388)
514	312

(7) Profit before tax (4+5+6)

4,480	3,269
-------	-------

(8) Tax Expense

- a. Current tax
- b. Deferred Tax Release / (Charge)

Total tax expense

(1,528)	(889)
141	195
(1,387)	(694)

Profit After Tax

3,093	2,575
-------	-------

Other Information

(9) Segment Assets

- a. Personal Health
- b. Innovation services
- c. Health Systems
- d. Other Unallocable

Total Segment Assets

As at
March 31 2025

As at
March 31 2024

4,512	2,402
11,411	10,911
16,946	17,472
7,856	8,542
40,725	39,327

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

(10) Segment Liabilities

	Year 2024-25	Year 2023-24
a. Personal Health	1,447	1,896
b. Innovation services	7,640	7,747
c. Health Systems	10,445	11,484
d. Other Unallocable	3,157	3,304
Total Segment Liabilities	22,689	24,431

(11) Capital Expenditure

a. Personal Health	63	93
b. Innovation services	1,148	5,781
c. Health Systems	244	240
d. Other Unallocable	79	87
Total Capital Expenditure	1,534	6,201

(12) Depreciation and amortization expense

a. Personal Health	62	39
b. Innovation services	1,140	964
c. Health Systems	488	362
d. Other Unallocable	57	61
Total Depreciation and amortization expense	1,747	1,426

(13) Non-cash expenses other than Depreciation and amortization expense

a. Personal Health	10	4
b. Innovation services	33	(15)
c. Health Systems	295	362
d. Other Unallocable	-	58
Total Non-cash expenses other than Depreciation and amortization expense	338	409

B: SECONDARY SEGMENT INFORMATION:

	Year 2024-25	Year 2023-24
Revenue		
a. Within India	32,738	28,998
b. Outside India	33,042	30,967
Total Revenue	65,420	59,965
Assets		
a. Within India	35,353	35,185
b. Outside India	5,372	4,142
Total Assets	40,725	39,327
Capital Expenditure		
a. Within India	1,534	6,201
b. Outside India	-	-
Total Capital Expenditure	1,534	6,201

The secondary segment revenue and assets in the geographical segments considered for disclosure are as follows:

- (1) Revenue and assets within India.
- (2) Revenue and assets outside India.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

C: OTHER DISCLOSURES:

Inter segment revenue / result:

- Inter-segment revenue has been recognized at competitive prices.
- Allocation of corporate expenses to other segments is at cost.
- All profits / losses on inter segment transfers are eliminated at Company level.

Types of products and services in each business segment:

Business Segments	Type of products / services
a. Health Systems	Medical electronics equipments & customer services
b. Innovation services	Development of embedded software
c. Personal Health	Health and Wellness products and Personal care products

(i) Reconciliations to amounts reflected in the financial statements	Year 2024-25	Year 2023-24
Segment profit	4,537	3,345
Finance cost	(571)	(388)
Other unallocable expenditure net of unallocable income	514	312
Tax expense	(1,387)	(694)
Profit for the year	3,093	2,575

(ii) Reconciliation of assets		
Segment operating assets	40,725	39,327
Total Assets	40,725	39,327

(iii) Reconciliation of liabilities		
Segment operating liabilities	22,689	24,431
Total liabilities	22,689	24,431

42. Capital Reduction

The Company is in the process of reducing its issued, subscribed and paid-up equity share capital from the existing ₹ 57,51,72,420 (Indian Rupees fifty seven crore fifty one lakh seventy two thousand four hundred and twenty only) divided into 5,75,17,242 (five crore seventy five lakh seventeen thousand two hundred forty two) equity shares having a face value of INR 10 (Indian Rupees ten only) each fully paid up to ₹ 55,29,02,420 (Indian Rupees fifty five crore twenty nine lakh two thousand four hundred and twenty only) divided into ₹ 5,52,90,242 (five crore fifty two lakh ninety thousand two hundred and forty two) equity shares having a face value of ₹ 10 (Indian Rupees ten only) each fully paid up, by cancelling and extinguishing 22,27,000 (twenty two lakh twenty seven thousand) equity shares having a face value of ₹ 10 (Indian Rupees ten only), in aggregate, 3.87% of the total issued, subscribed and paid-up equity share capital of the Company held by all the equity shareholders of the Company other than Koninklijke Philips N.V. and Philips Radio B.V. Pursuant to the Board approval at their meeting held on October 31, 2023 and shareholder's approval by way of approval special resolution passed through postal ballot on December 9, 2023, Company petition was filed with National Company Law Tribunal ("NCLT"), Kolkata. The aforesaid Company Petition was presented on 19th day of December 2023 and admitted by an order of the Hon'ble Tribunal dated 4th day of January 2024. NCLT vide its order dated September 19, 2024, rejected the aforesaid petition. The Company subsequently filed an appeal before the NCLAT. Currently, the matter is pending for approval with NCLAT.

Notes to Financial Statements for the year ended March 31, 2025

Amounts in ₹ Mln

41. Significant Ratios

Particulars	Numerator	Denominator	2024-25	2023-24	% Variance over Previous Year
(a) Current ratio (in times)	Current assets	Current liabilities	1.82	1.50	21.1%
(b) Debt - Equity ratio	Total Debt	Total Equity	N.A	N.A	N.A
(c) Debt Service coverage ratio	Earnings available for Debt service	Total Debt service	N.A	N.A	N.A
(d) Return on equity ratio (in %)	Profit after tax	Average Total Equity	18.79	18.91	-0.7%
(e) Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory	3.36	3.19	5.1%
(f) Trade receivables turnover ratio (in times)	Revenue from operations	Average Trade receivables	6.30	6.79	-7.3%
(g) Trade payables turnover ratio (in times)	Net Purchases	Average trade Payables	3.87	3.61	7.4%
(h) Net capital turnover ratio (in times)*	Net Sales	Working capital	5.54	7.55	-26.6%
(i) Net profit ratio (in %)	Profit after tax	Revenue from operations	4.73	4.29	10.2%
(j) Return on capital employed (in %)	Earnings before Interest and tax	Capital Employed	25.07	22.01	13.9%
(k) Return on investment (in %)	Profit after tax	Investment	7.73	7.24	6.8%

* Reason for variance - Increase in receivables driven out of increase in sales.

42. Disclosure of transactions with Struck Off Companies:

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

43. Other Statutory Information;

1. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
2. No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
3. There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period
4. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
5. The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes to Financial Statements for the year ended March 31, 2025

6. The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons or entities, 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.
7. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding
(whether recorded in writing or otherwise) that the Company shall:
 - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party
Ultimate Beneficiaries) or
 - b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
8. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

44. (a) Daily Back up

The Company is using accounting SAP ERP systems for maintaining the books of accounts and other relevant data in the electronic mode as required by law, however, the company has server physically located outside India for the daily backup of the books of account till March 15, 2025 and started to maintain the back-up of books of accounts in servers physically located in India from March 16, 2025 onwards.

(b) Audit trail

The Company has used SAP and other accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level insofar as it relates to SAP accounting software. Further no instance of audit trail feature being tampered with was noted in respect of SAP accounting software where the audit trail has been enabled.

Further, in respect of applications managed by a third-party software service provider i.e Concur and blackline, Audit trail feature is not covered in SOC 1 Type 2 report for the period April 1, 2024 to March 31, 2025 to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software where the audit trail has been enabled. Additionally, the audit trail in respect of prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in that year in respect of accounting software.

45. Extended Producer Responsibility (EPR)

The E-waste (Management) Rules, 2022 has become effective from April 1, 2023. The Company deals in wide range of products like Hair Dryer, Electric Shaver, Cardiology equipment & accessories, Ventilators & Respiratory equipment, laboratory equipment for in vitro diagnosis & accessories, MRI-PET and other electronic appliances which are covered under these rules. Company has tied-up with various E-waste collection providers for achieving the collection target.

PHILIPS INDIA LIMITED

Notes to Financial Statements for the year ended March 31, 2025

46. New Labour codes

The Code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazzate of India. Certain sections of Code came into effect on 3 May 2023. However the final rules/interpretation have not yet been issued. Based on preliminary assessment, the Company believes the impact of the change will not be significant.

47. All amounts are in ₹ Million, figures in this financial statements below ₹1 Million are shown as blank.

As per our report of even date attached

For and on behalf of the Board of Directors of Philips India Limited
CIN: U31902WB1930PLC006663

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm registration number: 301003E/E300005

Chairman **ANGARAI DORAIRAJAN ADITYA RATNAM**
(DIN: 05296020)

Managing Director **BHARAT RAM RAMAN SETHA**
(DIN: 01983066)

Whole-time Director & CFO **DEV KUMAR TRIPATHY**
(DIN: 10373357)

DIVYA MATHUR
Partner
Membership No.: 506846

Company Secretary **SWATI BATRA**
(Membership No. A23592)

Gurugram, August 05, 2025

Gurugram, August 05, 2025

Notes to Financial Statements for the year ended March 31, 2025

TEN YEAR REVIEW

Amounts in ₹ Mln

PARTICULARS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Income and Dividends										
Sales	62,819	36,723	38,562	42,398	44,970	48,070	54,290	56,682	59,374	64,674
Profit before exceptional items and tax	6,503	3,252	2,667	2,959	2,346	2,531	2,333	3,208	3,269	4,480
As percentage of sales	10.4	8.9	6.9	7.0	5.2	5.3	4.3	5.7	5.5	6.9
Profit before tax	6,278	3,252	2,667	2,607	2,488	2,531	3,642	3,208	3,269	4,480
As percentage of sales	10.0	8.9	6.9	6.1	5.5	5.3	6.7	5.7	5.5	6.9
Profit after tax	3,975	2,064	1,681	1,760	1,515	1,761	2,659	2,600	2,575	3,093
As percentage of sales	6.3	5.6	4.4	4.2	3.4	3.7	4.9	4.6	4.3	4.8
As percentage of net worth	22.1	10.3	7.8	7.6	6.7	7.4	11.7	21.1	17.3	17.2
Earnings per share (₹)	69.11	35.88	29.22	30.60	26.34	30.61	46.23	45.21	44.78	53.78
Dividend per equity share (₹)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	222.0	0.0	0.0
Assets and Liabilities										
Property, Plant and Equipment	2,079	2,526	2,940	3,155	3,416	4,343	3,710	3,684	8,303	8,012
Investment property	-	-	-	-	360.00	836	1,366	1,334	1,377	1,300
Investments	4,797	7,605	7,725	7,579	7,431	-	50	50	47	44
Deferred tax assets - net	510	572	746	540	642	846	384	633	836	961
Inventories	4,542	4,554	4,037	5,072	4,169	4,250	6,861	7,184	8,240	8,295
Debtors, loans & advances and cash & bank balances	18,837	16,735	19,212	21,228	22,078	24,167	30,681	19,516	20,524	22,113
Assets directly associated with discontinued operations	-	-	-	-	-	8,967	-	-	-	-
Current liabilities & provisions	12,531	11,282	12,385	13,800	15,520	17,624	20,277	20,058	24,431	22,689
Liabilities directly associated with discontinued operations	-	-	-	-	-	1,835	-	-	-	-
Net current assets	10,848	10,007	10,864	12,500	10,727	17,925	17,265	6,642	4,333	7,719
Net Investment	18,234	20,710	22,275	23,774	22,576	23,950	22,775	12,343	14,896	18,036
Represented by										
Equity share capital	575	575	575	575	575	575	575	575	575	575
Other reserves	17,398	19,450	21,018	22,523	22,001	23,375	22,200	11,768	14,321	17,461
Shareholders' interest (net worth)	17,973	20,025	21,593	23,098	22,576	23,950	22,775	12,343	14,896	18,036
Borrowings	261	685	682	676	-	-	-	-	-	-
Total	18,234	20,710	22,275	23,774	22,576	23,950	22,775	12,343	14,896	18,036
General										
Exports (F.O.B)	3,002	2,467	2,556	3,884	2,592	3,234	2,937	5,271	3,960	4,942
Employee Benefit Expense	11,214	9,989	11,181	12,369	13,514	14,603	16,590	20,115	21,649	21,764
Debt : Equity Ratio	1:99	3:97	3:97	3:97	0:100	0:100	0:100	0:100	0:100	0:100
Number of employees at year end	3,283	3,727	4,167	4,569	4,944	5,395	5,840	6,311	5,992	5,793

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Registered Office

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Northern Region

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