Registered Office
Address : Lake Road, Bhandup (W), Mumbai - 400078.
Tel. : +91-22-49601775
Email : corporate@hirect.com / marketing@hirect.com
CIN : L28900MH1958PLC011077
Website : www.hirect.com

July 14, 2026

BSE Limited
Phiroz Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East) Mumbai 400 051

BSE Scrip Code: 504036

NSE Symbol: HIRECT

Dear Sir/Madam,

Sub: Submission of Annual Report of the Company for the financial year 2025-26 along with the Notice of the 68th Annual General Meeting.

Pursuant to Regulations 30, 34 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report for the financial year 2025-26 along with the Notice of 68th Annual General Meeting (AGM) of the Company to be held on Tuesday, August 11, 2026 at 01:00 p.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

The Company is providing e-voting facility to its shareholders in respect of resolutions to be passed at the AGM. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency to provide remote e-voting facility. The remote e-voting period begins on Friday, August 7, 2026, at 09:00 a.m.(IST) and ends on Monday, August 10, 2026 at 05:00 p.m.(IST). The cut-off date for voting (including remote e-voting) shall be Tuesday, August 4, 2026. The detailed instructions with respect to voting have been mentioned in the Notice of AGM.

The Annual Report 2025-26 and the Notice of AGM is being sent only through electronic mode to the Members of the Company whose e-mail address are registered with Depositories/ the Company/the Registrar to an Issue and Share Transfer Agent (RTA) in compliance with the applicable circulars issued by the SEBI and the Ministry of Corporate Affairs in this regard from time to time.

A letter providing the web-link, including the exact path and QR code, where the Annual Report for the financial year 2025-26 is available, is being sent to those members whose e-mail address is not registered with Depositories/ the Company/the RTA.

The Annual Report and the Notice of the AGM can also be accessed from the website of the Company at www.hirect.com, National Securities Depository Limited (NSDL) at www.evoting.nsdl.com, Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

The PDF version of Annual Report and Annual General Meeting Notice can be accessed/downloaded from the web-links given below:

Annual Report	https://hirect.com/wp-content/uploads/2026/07/Annual-Report-2025-26.pdf
Notice of AGM	https://hirect.com/wp-content/uploads/2026/07/AGM-Notice-2025-26.pdf

We request you take the above on record.

Thanking you,

Yours faithfully,
For Hind Rectifiers Limited
Suhas Gopal Pawar
Digitally signed by Suhas Gopal Pawar
Date: 2026.07.14 10:59:01 +05'30'
Suhas Pawar
Company Secretary & Compliance officer
ACS-36560

Encl.: as above.

Annual Report
2025-26
hirect.com

Hind Rectifiers Limited

TECHNOLOGY-LED
GLOBALLY SCALED

WHAT'S INSIDE

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CORPORATE OVERVIEW

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STATUTORY REPORTS

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FINANCIAL STATEMENTS

INVESTOR INFORMATION

Market Capitalization (as of March 31, 2026) :	₹22,700 million
CIN :	L28900MH1958PLC011077
BSE Code :	504036
NSE Code :	HIRECT
Dividend Declared :	₹1.40 per equity share of face value of ₹ 2 each
AGM Day & Date :	Tuesday, August 11, 2026
AGM Time :	1:00 pm
AGM Venue :	Video Conference (VC) or Other Audio Visual Means (OAVM) (Deemed Venue of the 68th AGM: Registered Office - Lake Road, Bhandup (West), Mumbai - 400 078, Maharashtra)

For more investor-related information, please visit: https://hirect.com/shareholder-enquiries/

Disclaimer: This document contains statements about expected future events and financials of Hind Rectifiers Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

TECHNOLOGY-LED GLOBALLY SCALED

The future of power electronics will be defined by innovation, intelligent engineering and the ability to deliver integrated solutions at scale. HIRECT is embracing this shift by transforming into a technology-led systems company, expanding beyond individual components to develop complex, high-value power electronics systems that address the evolving needs of customers across industries.

At the same time, the Company is broadening its global footprint, evolving from an India-centric business into a globally integrated enterprise with stronger international market presence, diversified customer relationships and enhanced manufacturing capabilities. This strategic transition is strengthening HIRECT's' position across the power electronics value chain while creating new avenues for sustainable growth.

As these capabilities converge, the Company is laying the foundation for its next phase of growth, driven by differentiated solutions, wider market access and enduring competitive advantage.

About the Company

FORGING **LEADERSHIP** IN SYSTEMS **ENGINEERING**

Hind Rectifiers Limited ('HIRECT' or 'the Company') has steadily evolved from a pioneering semiconductor manufacturer into a technology-led systems provider for railway and industrial sectors. Leveraging decades of engineering expertise in mission-critical electrical and electronic equipment, the Company brings advanced power electronics, traction transformers, power converters and indigenous locomotive propulsion systems, driving next-generation mobility and industrial innovation.

Headquartered in Mumbai, HIRECT operates two sophisticated manufacturing facilities at Satpur and Sinnar, both located in Nashik, complemented by dedicated R&D centers in Mumbai and Hyderabad. By blending technological innovation with rigorous engineering and execution excellence, the Company consistently delivers reliable, high-performance solutions to a diverse customer base.

In a defining move to strengthen its global footprint, the Company expanded into Europe during 2025-2026 through the strategic acquisition of Elventive France, formerly known as BeLink Solutions. With this investment, HIRECT establishes a robust manufacturing and R&D hub specialized in Electronic Manufacturing Services (EMS), robotics and printed electronics, bolstering its capabilities in these domains.

68
Years of Excellence

8
Global Accreditations

2
R&D Centers

2
Manufacturing Plants

500+
Marquee Clients

30+ Countries
Export Presence

POWERING MULTI-SECTOR GROWTH THROUGH NEXT-GENERATION SOLUTIONS

Serving complex mobility, industrial and infrastructure ecosystems, HIRECT delivers robust solutions engineered for challenging operational conditions. These technologies sustain critical functions across transportation, manufacturing, energy and process industries. The Company's product diversity ensures customized alignment with evolving client needs while securing a strong presence across multiple high-growth end markets.

RAILWAY SYSTEMS

- **IGBT Traction Converter**
  Water-cooled IGBT-based, microprocessor-controlled high-power converters up to 6,000 HP for goods and passenger locomotives.
- **Auxiliary Converter**
  3 × 130 kVA, 180 kVA, converters to supply 400 V, 3-phase auxiliary and battery power system on-board locomotives.
- **Hotel Load Converter**
  2 × 500 kVA, 2 × 600 kVA converter to utilize 25 kV AC OHE and provide 750 V, 3-phase for auxiliary power in passenger coaches.
- **Battery Chargers**
  On-board or under-slung P65 battery chargers up to 12 kW, 110 V output for locomotives and coaches, with display and diagnostics.
- **Vehicle Control Unit**
  VCU with multiple processor architecture ensures the locomotive's safe, coordinated operation and communication between all critical subsystems.
- **Driver Display Unit**
  DDU provides a man-machine interface for the train driver on a 10.4" screen with programmable mimic windows for control.
- **Train Communication Systems**
  Passenger Information and Announcement System (PAPIS) is a key communication system for passengers and operators.
- **Traction Transformers**
  Systems that transform 25 kV OHE to provide on-board traction power for locomotives (up to 7,775 kVA) and EMU/trainsets.
- **Traction Motors**
  Rugged squirrel cage motors with rated power up to 1,150 kW for locomotives.
- **HVAC Systems**
  Custom-engineered air-conditioning, heating and ventilation solutions supporting all rolling stock types.

INDUSTRIAL SYSTEMS

- **Single and Three-Phase ESP Power Supplies**
  Oil-cooled, DSP microcontroller-based power supply systems up to 750 kVA for electrostatic precipitators used in industrial emission control applications.
- **Mid-Frequency Power Supplies**
  IGBT-controlled, DSP-based power supply systems operating at 500 Hz switching frequency with capacities up to 500 kVA.
- **High-Frequency Power Supplies**
  Advanced AFE topology-based, IGBT-controlled power supply systems delivering output up to 300 kW.
- **SMPS Rectifiers**
  Modular and stackable DC power source, forced-air-cooled HF transformer rectifier controlled by high-frequency switching inverter up to 35 V, 3,000 A.
- **Thyristor-Controlled Rectifiers**
  Low voltage, high current DC power source, 6/12 pulse, air/oil cooled transformer rectifier up to 1000 V, 20 kA, designed for demanding heavy industrial applications.
- **Water-Cooled Rectifiers**
  High-power DC source, 6/12/24 pulse, OFWF transformer, water-cooled rectifier up to 1500 V, 80 kA for specialized industrial and electrochemical processes.

DIVERSE END USERS

- **Railway and Transportation**
  Providing critical aggregates for locomotives, metro networks and rolling stock OEMs.
- **Power Generation**
  Developing solutions for thermal and atomic power plant operations.
- **Defense**
  Engineering specific electronic and power management solutions for secure environments.
- **Metal and Steel**
  Manufacturing energy-efficient rectifiers for metal refining and heavy processing.
- **Chemical and Petrochemical**
  Facilitating electrochemical processes in offshore and onshore energy operations.

AMPLIFYING IMPACT THROUGH PROGRESSIVE MILESTONES

1958-1969

- Acquired the rectifier operations of Kaycee Industries to incorporate HIRECT
- Established a 20,000 sq. m. manufacturing facility in Bhandup, Mumbai to pioneer India's semiconductor landscape
- Entered into a technical collaboration with Westinghouse Brake & Signal Co. Limited, UK

1970-1979

- Diversified into battery chargers alongside high-voltage and high-current rectifiers for industrial and railway applications
- Introduced specialized traction rectifiers for locomotives

1980-1989

- Expanded product offerings across industrial and railway segments
- Strengthened technical capabilities and widened market presence

1990-1999

- Launched IGBT-based Underslung Inverters for railway applications, marking a significant technological breakthrough
- Amalgamated a sister company in Satpur (Nashik) in 1995 to scale manufacturing capabilities

2000-2009

- Celebrated 50 years of operations
- Commissioned a new manufacturing facility in Dehradun
- Upgraded manufacturing technologies and processes significantly

2010-2019

- Ramped up manufacturing infrastructure at the Satpur facility
- Unveiled cutting-edge electronic solutions, including specialized high-frequency rectifiers

2020-2022

- Acquired a 26,930 sq. m. land parcel in Sinnar, Nashik
- Operationalized a state-of-the-art manufacturing facility to support future growth and product innovation

2022-2026

- Developed indigenous locomotive propulsion systems, which are currently in advanced stages of validation and field trials, accelerating the transition toward system-level solutions
- Inaugurated a specialized copper conductor facility with a capacity of approximately 350 TPM, enhancing core capabilities through backward integration
- Acquired Elventive France, formerly known as BeLink Solutions, to mark its manufacturing footprint in Europe, strengthening its position in the global Robotics and EMS markets
- Strengthened senior leadership to drive domestic and Global expansion

STRENGTHENING ACCESS THROUGH FORTIFIED **GLOBAL CAPABILITIES**

HIRECT's extensive domestic presence integrates leading-edge manufacturing facilities in Nashik, key R&D centers in Mumbai and Hyderabad, and major sales offices nationwide. This domestic execution ecosystem is structurally augmented by the Company's recent entry into France. With a base in Europe, HIRECT is now well-positioned to significantly upgrade its engineering and technology capabilities and propel global growth.

2 Manufacturing Plants

2 R&D Centers

4 Offices

2 International Offices (The UAE, France)

Manufacturing Prowess

22,000+ ESP Transformers & Rectifiers

2,200+ Locomotives & Coach Transformers

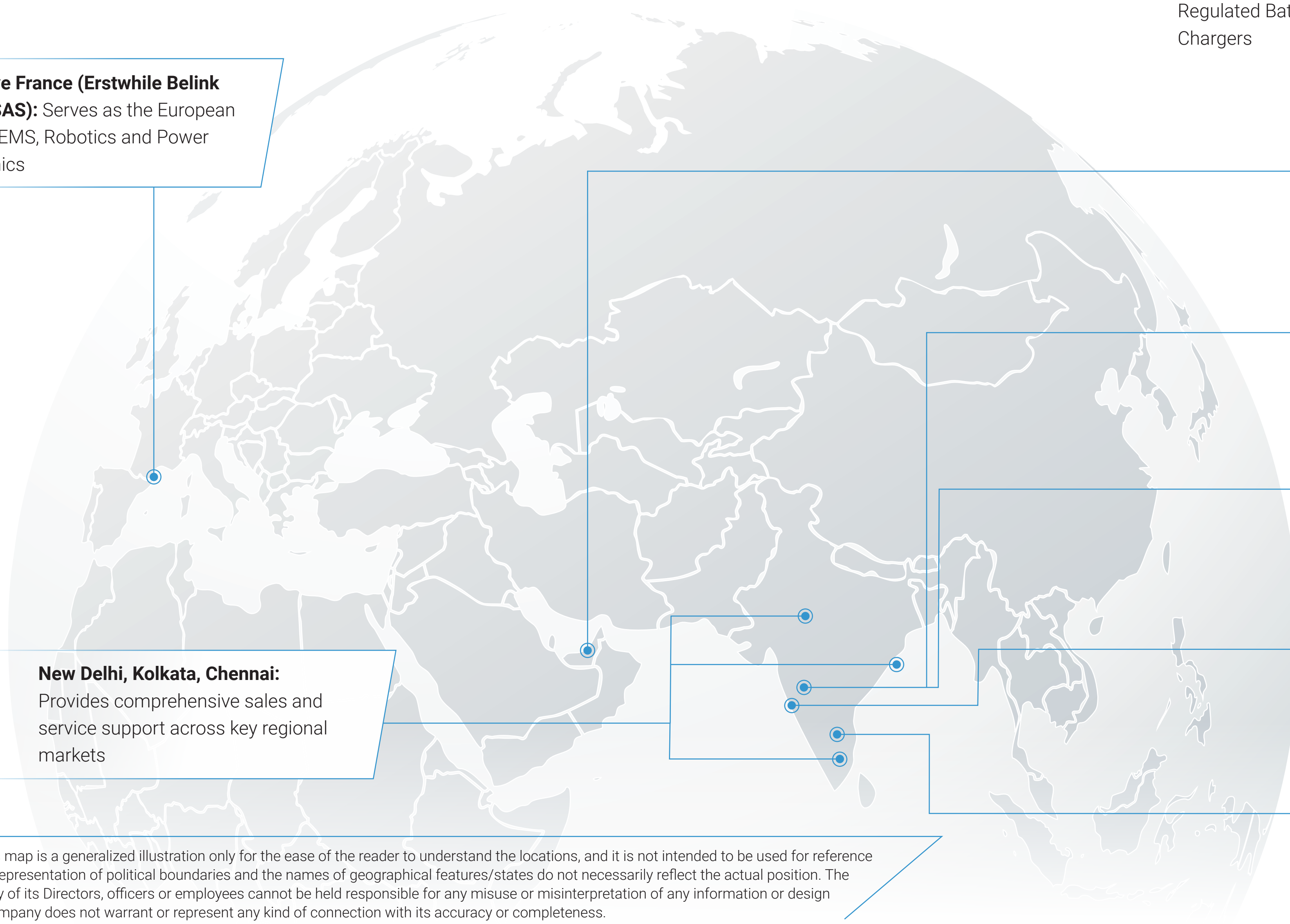
900+ Traction Motors

3,000+ AUX Converters

2,700+ Regulated Battery Chargers

2,500+ Coach Underslung Inverters

13,500+ Locomotive Panels



Elventive France (Erstwhile Belink Hirect SAS): Serves as the European hub for EMS, Robotics and Power Electronics

New Delhi, Kolkata, Chennai: Provides comprehensive sales and service support across key regional markets

Hirect Global Holdings Limited, Dubai, United Arab Emirates: Hirect Global Holdings Limited to oversee the investments globally

Satpur Plant, Nashik: Focuses on Traction Transformers, ESPs and Heavy Industrial Rectifiers

Sinnar Plant, Nashik: Manufactures Propulsion Systems, Aux Converters, HVAC Systems and houses the specialized Copper Conductor facility

Registered Office and R&D Center, Mumbai: Operates as the Corporate HQ and drives Hardware innovation

R&D Center, Hyderabad: Develops Software and Digital Intelligence solutions

Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

ACCELERATING GROWTH MOMENTUM THROUGH **STRATEGIC SCALING**

During the fiscal year, the Company executed a series of strategic expansion initiatives designed to accelerate its growth trajectory. By amplifying its manufacturing infrastructure and technology ecosystem, HIRECT fortified its operational capabilities and sharpened its competitive edge across diverse sectors, while strengthening its ability to rapidly capitalize on emerging high-value markets and opportunities.

ELVENTIVE FRANCE (ERST. BELINK SOLUTIONS): BUILDING A EUROPEAN HUB FOR ROBOTICS, POWER ELECTRONICS & EMS

Elventive France brings nearly four decades of industry experience to HIRECT, marking a significant milestone in the Company's global expansion strategy. This acquisition strengthens HIRECT's ability to drive innovation and foster cross-border collaboration, while augmenting its capabilities in advanced manufacturing and next-generation technologies.

WHY THIS ACQUISITION MATTERS

- **Strategic Fit**
  - Combines HIRECT's expertise in high-reliability power electronics with Elventive France's strengths in precision manufacturing and testing
  - Creates a technology and manufacturing partnership with complementary capabilities across automotive, defense, aerospace and industrial applications
- **Unlocking New Markets**
  - Removes key barriers to entry into highly regulated European railway, defense and aerospace markets
  - Secures an established local manufacturing footprint, critical quality certifications and long-standing customer relationships required by European procurement organizations
  - Gives HIRECT immediate access to markets and customer networks that would have been difficult to reach independently

KEY STRATEGIC ADVANTAGES

- Establishes a strategic manufacturing and R&D base in Europe, enhancing the Company's global presence and customer proximity
- Augments capabilities across EMS, robotics, power electronics and printed electronics, broadening the Company's technology portfolio
- Adds world-class manufacturing and testing infrastructure, including six fully automated production lines, ramping up operational capabilities and addressing evolving customer requirements
- Creates opportunities for cross-border collaboration, shared R&D and technology transfer between the Company's Indian and European operations

PRODUCT PORTFOLIO

- Automotive Electronics
- Defence and Aerospace
- Railway Systems
- Industrial and Energy
- Manufacturing Equipment
- Mechatronics Expertise

STRENGTHENING CORE CAPABILITIES THROUGH BACKWARD INTEGRATION IN COPPER CONDUCTORS

HIRECT commissioned and commercialized an integrated and fully automated copper conductor manufacturing facility at Sinnar during the year, as part of its strategy to strengthen supply chain resilience and amplify value creation. The initiative marks the Company's entry into a specialized product segment catering to both internal requirements and external market demand.

WHY THIS MATTERS

- **Fortifying Supply Chain Control**
  - Reduces dependence on external suppliers for a key transformer component
  - Improves visibility and control across a critical stage of the manufacturing process
- **Unlocking New Revenue Opportunities**
  - Creates capacity beyond internal requirements, enabling participation in the broader transformer industry
  - Introduces a new business vertical with potential to serve third-party customers and diversify revenue streams

350 TPM
Installed Capacity

₹56 crore
Capex

KEY DEVELOPMENTS

- Established manufacturing capabilities for:
  - Continuously Transposed Conductors (CTC)
  - Enameled Paper Insulated Copper Conductors (EPICC)
  - Paper Insulated Copper Conductors (PICC)
- Achieved an installed capacity of approximately 350 TPM, well above current internal requirements of around 220 TPM, generating additional capacity for external sales
- Launched commercial production of specialized copper conductors for transformer applications
- Secured trial orders from private sector customers, validating market acceptance and laying a robust foundation for future revenue growth

This dual-pronged strategy of expanding globally while enhancing core capabilities strengthens the Company's technology capabilities, broadens its geographic footprint and deepens vertical integration, creating a stronger platform for sustainable growth across domestic and international markets.

ADVANCING MARKET REACH THROUGH **ENGINEERING INNOVATION**

The Company leverages research and development as a vital growth lever to transition into premium, high-margin market spaces. By engineering indigenous platforms and pioneering next-generation solutions, HIRECT consistently widens its market access. These targeted technological breakthroughs strengthen the Company's market integration and fortify its position across the railway and industrial ecosystem.

POWERING THE FUTURE OF RAIL MOBILITY

HIRECT continues to cement its leadership in railway power electronics through the development of advanced traction and propulsion solutions for locomotives and trainsets. Recognizing the limitations of imported technologies in addressing India's unique operating requirements, the Company prioritizes indigenous innovation, driving greater localization, improved reliability and superior lifecycle performance.

KEY MILESTONES

- Completed external type tests for indigenous propulsion systems through rigorous validation by RDSO and Chittaranjan Locomotive Works
- Commenced official 50,000 km field trials, qualifying the Company to participate in upcoming propulsion development tenders
- Secured initial development orders for next-generation passenger locomotive propulsion systems, reflecting growing market acceptance
- Became the only Indian company to design, develop and successfully test an indigenous brake system for 6,000 HP locomotives

EMBEDDING INTELLIGENCE ACROSS OPERATIONS

HIRECT is actively integrating digital technologies into its engineering and manufacturing ecosystem to enhance operational efficiency and product performance. Through its investment in Coincade Studios Private Limited, the Company is developing AI-led capabilities focused on predictive analytics, intelligent monitoring and operational optimization. These initiatives are accelerating the transition toward data-driven decision-making and smarter engineering solutions.

R&D AT A GLANCE

190+
Engineers

42+
Products under Active R&D Development

50,000 km
Official Field Trials Initiated for Propulsion Systems

FORTIFYING THE ENGINE BEHIND FUTURE GROWTH

HIRECT's innovation engine is powered by a team of more than 190 engineers across dedicated R&D centers in Mumbai and Hyderabad. This strong technical foundation allows the Company to maintain a robust innovation pipeline spanning propulsion systems, brake systems, converters, HVAC solutions, digital intelligence applications and EMS technologies. With over 40 products under active development, the R&D function is guided by a dual-focus strategy of accelerating innovation while reducing time-to-market.

EXPANDING INNOVATION THROUGH COLLABORATION

HIRECT leverages strategic partnerships to expand its technological capabilities and fast-track innovation. Alongside its AI-focused initiatives through Coincade Studios, the Company's collaboration with Elventive France facilitates cross-border knowledge sharing across power electronics, automation, EMS and printed electronics. These high-impact alliances widen the Company's technology base and bolster its innovation potential.

INNOVATION DRIVING STRATEGIC ADVANTAGE

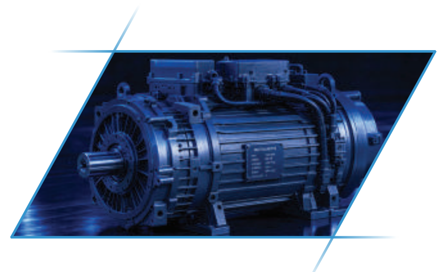
- **Unlocking New Growth Opportunities**
  Innovation is enabling the Company to address new opportunities across railway, industrial and international markets. Indigenous propulsion systems strengthen participation in high-value railway projects, while HVAC systems, CTC copper conductors and leading-edge industrial solutions support expansion into adjacent applications. The unique capabilities of Elventive France further enhance access to opportunities across European defense, aerospace, robotics and advanced electronics sectors.

- **Moving Up the Value Chain**
  HIRECT's expanding innovation capabilities are steadily increasing the share of higher-value, technology-intensive offerings within its portfolio. The development of proprietary systems and integrated solutions enhances revenue potential, strengthens localization and supports a more differentiated and competitive product mix.

- **Building a Stronger Technology Moat**
  HIRECT gains increasing traction from a growing portfolio of proprietary technologies, specialized engineering expertise and industry certifications. Extensive field trials, rigorous qualification processes and accumulated performance data create significant barriers to entry, sharpening the Company's competitive edge, while strengthening long-term technology leadership and customer confidence.

SCALING CAPABILITIES FOR NEW AGE OPPORTUNITIES

Over the decades, HIRECT has continuously evolved its role from a component supplier into a vertically integrated system solutions provider for the rail and power electronics industry, expanding its role from product manufacturing to the delivery of increasingly sophisticated, technology-driven solutions. This evolution reflects a sustained commitment to capability building, innovation, and strategic expansion, culminating in a new phase characterized by integrated systems, global reach, and higher-value opportunities.



ERA 1: COMPONENTS AND CORE CAPABILITIES

The Company established its foundation as a trusted supplier of core railway electrification components, including traction transformers, rectifiers, auxiliary converters and locomotive panels. This phase built the engineering expertise, manufacturing discipline and customer relationships required to sustain growth momentum.

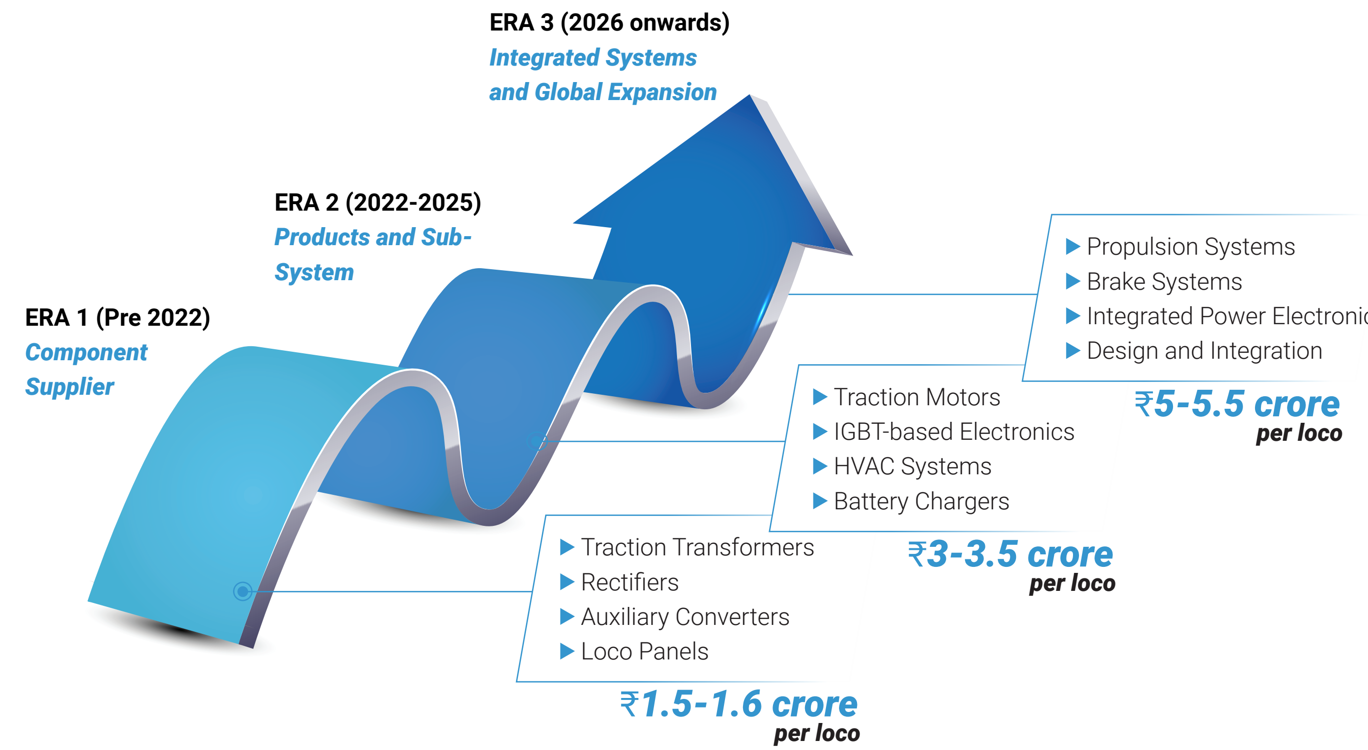
ERA 2: PRODUCTS AND SUB-SYSTEM INTEGRATION

Building on its core strengths, HIRECT expanded into higher-value products and sub-systems such as traction motors, HVAC systems, battery chargers, IGBT-based power electronics and control systems over the last few years. This marked its evolution from a component manufacturer to an integrated solutions provider for railway and industrial applications.

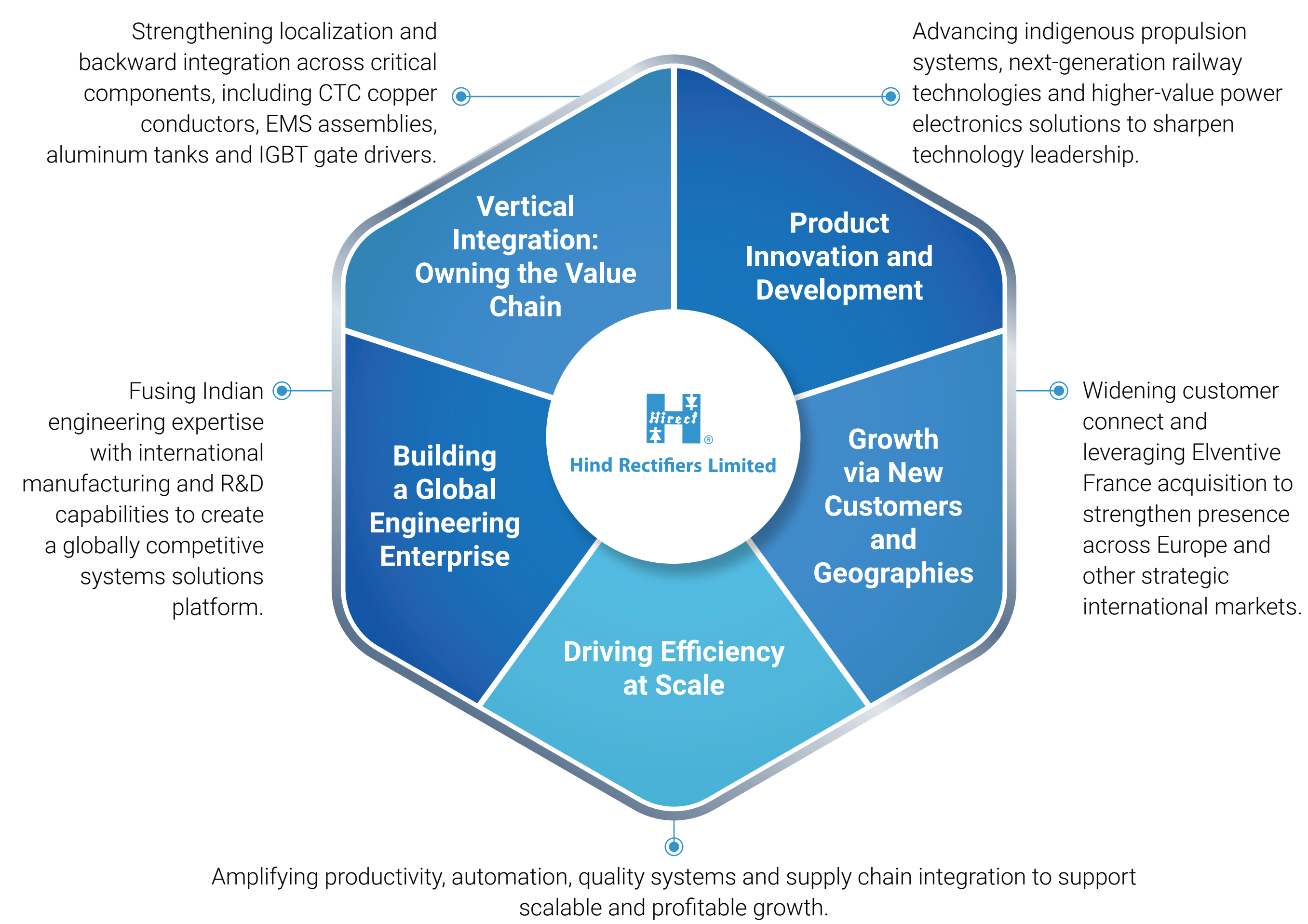
ERA 3: INTEGRATED SYSTEMS AND GLOBAL EXPANSION

Today, HIRECT is transitioning into a globally positioned systems solutions provider, with a strong focus on indigenous propulsion systems and integrated railway power electronics. This strategic evolution has significantly expanded the Company's addressable opportunity, increasing its wallet share per locomotive to approximately ₹5-5.5 crore.

Supported by the acquisition of Elventive France, the Company is building a differentiated platform that combines indigenous technology with global engineering, manufacturing, and R&D capabilities, reinforcing its ability to serve customers across international markets.



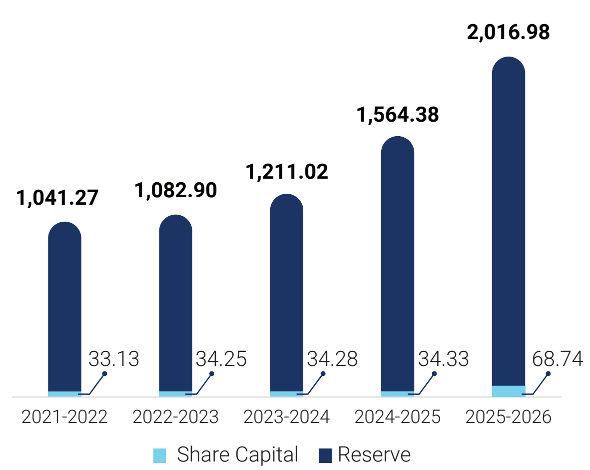
As HIRECT enters its next phase of evolution, the Company is focused on five strategic priorities with the objective of bolstering its capabilities, expanding its market presence and supporting secular growth.



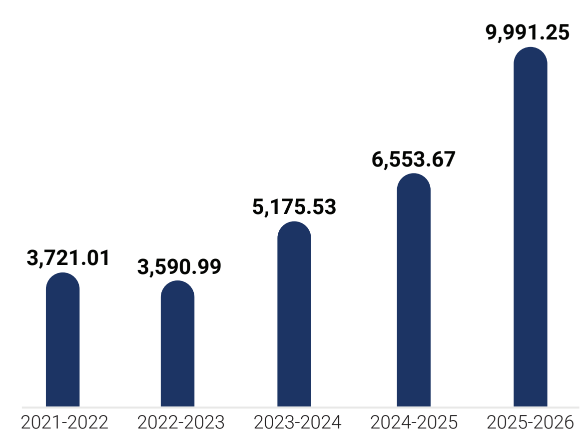
DELIVERING FINANCIAL EXCELLENCE THROUGH **DISCIPLINED EXECUTION**

Benefiting from heightened market demand and successful infrastructure upgrades, HIRECT achieved significant financial milestones in 2025-2026. Every core segment performed at peak efficiency, as disciplined project delivery led to a sound balance sheet, marked by robust revenue, elevated margins and optimized cash generation. These strong outcomes further demonstrate the long-term viability of the Company's expansion strategy.

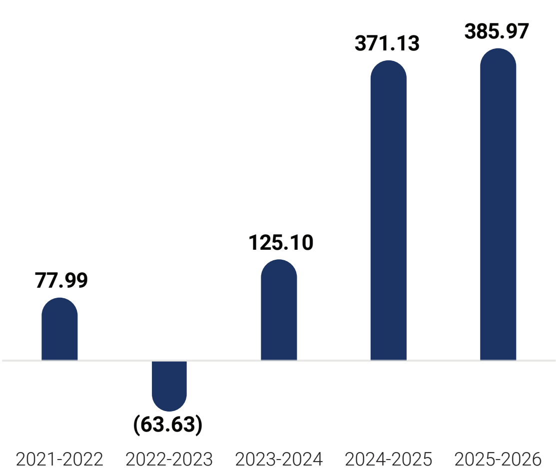
Net Worth (₹ in million)



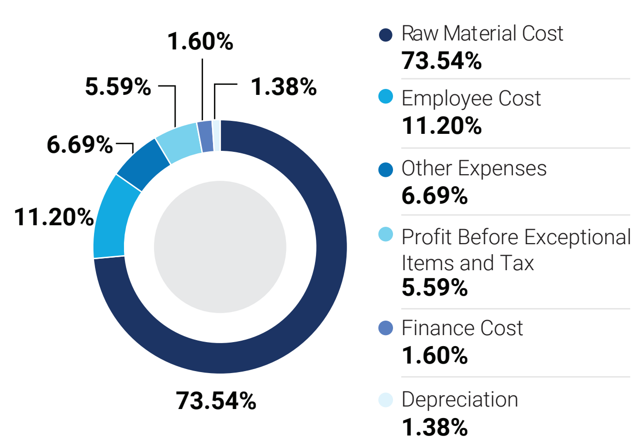
Sales (₹ in million)



Profit After Tax (₹ in million)



Percentage of Rupee Spent during 2025-2026



HIGHLIGHTS

Sr. No.	Particulars	Unit	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022
INCOME							
1.	Net Operational Income	₹ in million	9,991.25	6,553.67	5,175.53	3,590.99	3,721.01
2.	Profit before Finance Cost, Depreciation & Tax	₹ in million	857.20	717.92	448.53	153.52	225.34
3.	Finance Cost	₹ in million	159.80	131.92	127.26	81.30	68.81
4.	Depreciation	₹ in million	138.34	84.87	74.46	51.39	44.91
5.	Profit after Finance Cost & Depreciation but before Tax	₹ in million	559.06	501.13	246.81	20.83	111.62
6.	Exceptional Items	₹ in million	(19.96)	–	(69.92)	(107.66)	–
7.	Profit after Tax	₹ in million	539.10	371.13	125.10	(63.63)	77.99
EQUITY SHARE DATA							
8.	Sales & Other Income per Equity Share	₹	291.00	191.00	151.00	105.00	112.00
9.	Earnings per Share before Exceptional Item – Basic	₹	13.68	10.82	5.70	1.33	2.36
10.	Earnings per Share before Exceptional Item – Diluted	₹	13.63	10.80	5.68	1.32	2.34
11.	Earnings per Share after Exceptional Item – Basic	₹	13.10	10.82	3.65	(1.92)	2.36
12.	Earnings per Share after Exceptional Item – Diluted	₹	13.05	10.80	3.64	(1.92)	2.34
13.	Book Value per Equity Share	₹	59.88	46.57	36.33	32.62	32.43
14.	Net Worth	₹ in million	2,058.06	1,598.70	1,245.30	1,117.14	1,074.40
15.	Share Price – High	₹	2,101.00	1,591.00	824.00	268.80	288.00
16.	Share Price – Low	₹	657.10	570.05	193.05	152.90	118.00
17.	Dividend	%	70	100	60	–	20
RATIOS							
18.	PBT/Net Operational Income	%	5.60	7.65	4.77	0.58	3.00
19.	Profit after Tax/Net Worth	%	26.19	23.21	10.05	(5.70)	7.26
20.	Total Liabilities/Total Assets	Times	0.69	0.62	0.62	0.62	0.56
21.	Total Debt/Equity	Times	1.02	1.03	1.08	0.94	0.70
22.	Total Outside Liability/Total Net Worth	Times	2.22	1.61	1.66	1.62	1.29
23.	Current Ratio	Times	1.17	1.21	1.21	1.23	1.46
24.	PBDIT/Finance Cost	Times	5.36	5.44	3.52	1.89	3.21

BUILDING GLOBAL COMPETITIVENESS IN POWER ELECTRONICS

Dear Shareholders,

Looking back at 2025-2026, I believe it was one of the most consequential years in the Company's recent history. Beyond driving robust financial performance, HIRECT accelerated a slew of pivotal initiatives that will shape its trajectory for years to come. By strengthening our manufacturing ecosystem, accelerating indigenous technologies and scaling globally, the year marked a significant step in our evolution from a product-focused organization to a technology-led systems company. This structural transition solidifies the foundation of our ambition as we diligently pursue global competitiveness in power electronics, driving long-term value across railway, industrial, defense and advanced technology markets.

These achievements carry even more significance given the severe structural disruptions that rippled through our supply chain. Widespread copper shortages threatened production continuity across the industry, requiring urgent, high-cost sourcing from South Korea and China to protect our delivery timelines. Through disciplined execution and the commitment of our teams, we successfully navigated these challenges, translating a volatile operational landscape into a robust ₹9,991.25 million in consolidated revenues, representing 52.5% growth over the previous year. Our ability to absorb the elevated input costs while simultaneously expanding our financial footprint stands as proof of the strong pricing power and scale efficiencies embedded in our model.

This robust revenue growth came alongside calculated investments in our long-term operating architecture. Consolidated EBITDA margins moderated to 8.4% from 10.7% in the previous year, primarily due to the first year of consolidation of Elventive France, which operated below breakeven during the year. The business is currently in its scale-up phase, and we expect margin recovery to be driven by a steady ramp-up in volumes. We view this as a planned phase in the integration journey and remain confident in the long-term value this investment will create.

A FAVORABLE INDUSTRY ENVIRONMENT

India's continued infrastructure push, industrial modernization and gradual shift toward electrified transportation act as powerful tailwinds for companies operating in critical power and mobility ecosystems. This momentum is best evident in the railway sector.

The Union Budget 2026-2027 allocated ₹2,93,030 crore to Indian Railways, the highest allocation in its history. This outlay reflects a sustained commitment toward railway electrification, rolling stock modernization, network expansion and advanced safety architectures. Simultaneously, the planned scaling of domestic locomotive production establishes a robust demand environment for next-generation power electronics, propulsion technologies and integrated railway systems.

By aligning our core capabilities directly with these national priorities, we gained substantial traction, ending the year with an order book of ₹8,455.22 million, supported by fresh order inflows of ₹8,584.28 million during 2025-2026. This vast pool of orders provides strong visibility and strengthens our confidence in the opportunities ahead.

STRATEGIC MILESTONES SHAPING THE FUTURE

Three developments during 2025-2026 stand out for both their immediate impact and long-term value. The first is the operationalization of the CTC copper conductor facility at Sinnar. For many years, our traction transformer business relied on external suppliers for specialized components, like Continuously Transposed Conductors (CTC), Enameled Paper Insulated Copper Conductors (EPICC) and Paper Insulated Copper Conductors (PICC). Today, these critical inputs are manufactured in-house. Beyond securing supply chain autonomy and greater localization, this facility introduces an entirely new revenue stream by supplying these high-specification conductors to the broader transformer ecosystem. What was once a supply chain dependency is steadily evolving into a strategic advantage.

The second milestone is our strategic acquisition of Elventive France. Well beyond expanding our manufacturing footprint in Europe, this move brings into our fold decades of expertise in electronics manufacturing services, robotics, automation and advanced power electronics. Alongside, it inherits established customer relationships across automotive, aerospace, defense and industrial sectors. More importantly, this acquisition provides a high-leverage international platform that bolsters our engineering capabilities and accelerates entry into new markets, making a decisive leap toward building a globally integrated engineering powerhouse.

The third milestone is the commencement of field trials for our indigenous locomotive propulsion system. This represents the culmination of years of engineering effort and technology development. As the central engine of a locomotive's power architecture, this highly sophisticated product represents a premium asset within the railway value chain. Successful completion of the mandated 50,000-kilometre field trial program will formally empanel HIRECT for future propulsion tenders. With initial orders already secured, this development significantly expands our long-term addressable market.

BUILDING THE FOUNDATIONS FOR THE NEXT PHASE OF GROWTH

Collectively, these milestones signify a broader strategic pivot. By strengthening backward integration, advancing indigenous technologies and scaling our global footprint, we are ascending the value chain and increasing our participation in higher-value opportunities.

This ongoing evolution into an integrated systems provider significantly solidifies our market leadership across railway, industrial, defense and advanced electronics ecosystems. Driven by a scaled engineering engine and a robust technology pipeline, HIRECT is steadily enhancing its ability to address larger, technology-intensive opportunities across its core markets.

STRENGTHENING LEADERSHIP FOR THE FUTURE

Fiscal 2025-2026 also marked a major reinforcement of our leadership architecture to match our expanding operational scale and long-term ambitions.

Mr. Manoj Nair joined us as Chief Executive Officer, bringing over three decades of industrial leadership experience across leading organizations, including Cummins India and the CK Birla Group. Mr. Douglas Bailey was appointed Global CEO, contributing extensive global expertise in semiconductors, power electronics and advanced technologies. These appointments reflect our conviction that global aspirations must be supported by world-class leadership capabilities.

LOOKING AHEAD

Looking ahead, our focus is squarely on taking the next decisive steps in the journey we have set in motion. Chief among these priorities are the successful completion of our propulsion system qualification program, the scaling of the operational yields of our backward integration initiatives and the leveraging of Elventive France to bolster our presence in global markets. Together, these levers will expand our participation in higher-margin, higher-value opportunities and further fortify our position across the railway and industrial sectors.

The year 2025-2026 will be remembered as the beginning of a new era at HIRECT. The capabilities we have institutionalized are reshaping our scale, market reach and stature within the value chain, validating our long-term trajectory toward becoming a globally relevant, technology-led systems company.

This evolution is a collective achievement. I would like to express my sincere gratitude to our employees, customers, shareholders and business partners for their continued support and shared conviction. Their confidence in our vision, commitment and capabilities has been instrumental in our progress as we strengthen HIRECT for the future and contribute meaningfully to India's upwardly mobile economic trajectory.

With warm regards,

Suramya Nevatia

Chairman & Managing Director

CULTIVATING TRUSTED RELATIONSHIPS THROUGH **RELIABLE SOLUTIONS**

Enduring partnerships with market leaders bear the hallmark of HIRECT's manufacturing precision and operational integrity. This premier client base, operating across railways, heavy industry, defense and infrastructure, continuously validates its technical capabilities, product reliability and execution consistency. This collective trust drives the Company's ongoing transformation into a leading-edge developer of sophisticated power electronics and systems solutions.

500+

Marquee Clientele

ENSURING RESPONSIBLE **BUSINESS STEWARDSHIP**

MR. SURAMYA NEVATIA
Chairman & Managing Director

Mr. Suramya Nevatia earned his Bachelor's degree from H.R. College of Commerce & Economics, Mumbai, alongside an M.Sc. in Marketing Management from Aston University, UK. He further cultivated his business acumen with a Postgraduate Diploma in Family Managed Business from Mumbai's S.P. Jain Institute of Management & Research. Joining HIRECT in 2011, he was appointed Chief Executive Officer on June 1, 2016, and Managing Director on August 17, 2020. Further, he relinquished the position of the Chief Executive Officer on October 10, 2025, and continued to be the Chairman and Managing Director of the Company. Possessing profound knowledge across marketing, production, operations and strategic development, Mr. Nevatia has successfully spearheaded the Company's evolution from a traditional component supplier into a vertically integrated systems architect.

MRS. AKSHADA NEVATIA
Executive Director

Mrs. Akshada Nevatia attained a Bachelor's degree in Psychology from S.P. College, Pune, and a Master's degree in Clinical Psychology from Fergusson College, Pune. She subsequently refined her corporate expertise by securing a Diploma in Family Managed Business from the S.P. Jain Institute of Management & Research, Mumbai. Supported by 16 years of entrepreneurial background spanning finance, banking, risk management and corporate leadership, she occupies a vital role in guiding the Company's overarching strategic direction and rigorous operational governance.

MR. PARIMAL RAMESHCHANDRA MERCHANT
Non-Independent Non-Executive Director

Mr. Parimal Rameshchandra Merchant secured his Bachelor's degree in Commerce and Law from Mumbai and is an accredited Cost and Works Accountant (ICWA). He also holds a PhD from BITS Pilani, awarded in 2018. Backed by 47 years of robust experience in capital markets and corporate consultancy, coupled with a longstanding affiliation with the S.P. Jain Institute of Management & Research, Mr. Merchant injects profound financial stewardship and governance expertise into the Board.

MR. VANDAN SHAH
Independent Non-Executive Director

Mr. Vandan Shah holds a B.E. in Industrial Engineering from R.V. College of Engineering, Bengaluru. He contributes over 41 years of expansive experience in manufacturing operations and corporate leadership, having served at prominent organizations such as LML Piaggio, Sipra Engineers and Veena Diecasters. A dedicated member of the National and Western Regional Councils of the CII, he previously held the position of Chairman for the CII's Nasik Zonal Council.

MRS. ASHLESHA BODAS
Independent Non-Executive Director

Mrs. Ashlesha Bodas completed her Bachelor's in Marketing Management and earned an MBA from Symbiosis College, Pune, followed by a Master's in Family Managed Business from the S.P. Jain Institute of Management & Research. As a Director at the Sharada Group, she brings a wealth of practical experience in business strategy formulation and executive corporate management to the Company.

MR. VISHAL PACHERIWALA
Independent Non-Executive Director

Mr. Vishal Pacheriwala is a qualified Chartered Accountant with a Postgraduate degree in Commerce from the University of Mumbai (2012), who earned his MBA from Tulane University in 2014. Possessing more than 12 years of specialized experience in financial management, process automation and strategic planning, he currently operates as the CFO at Binayak Tex Processors Limited and holds active board positions across multiple corporate entities.

Leadership Team

STEERING THE PATHWAY FOR **SUSTAINABLE GROWTH**

MR. SURAMYA NEVATIA
Chairman & Managing Director

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MR. SAURABH NEVATIA
Chief Executive Officer, Nashik Plant

Mr. Saurabh Nevatia has been a dedicated member of the Company since 1988, serving as a regular employee. He currently holds the position of Chief Executive Officer at the Nashik Plant. With his vast experience, deep knowledge, and strong background in the industry, Mr. Nevatia oversees and manages all operations and activities at the Nashik Plant. His leadership has been instrumental in driving efficiency, innovation, and sustained growth at the facility.

MR. MANOJ NAIR
Chief Executive Officer

Mr. Manoj Nair comes with over three decades of multifaceted leadership experience across manufacturing, power, infrastructure and technology-oriented enterprises, having held senior roles at Cummins India and IIMS Limited (CK Birla Group). His robust operational insight, customer-focused approach and proven track record in scaling complex organizations make him perfectly positioned to guide HIRECT's domestic operations through its subsequent growth phase. He officially joined the Company in the third quarter of 2025-2026.

MR. ANIL KUMAR NEMANI
Chief Financial Officer

Mr. Anil Kumar Nemani is a seasoned finance professional with a Bachelor's degree in Commerce and is a qualified Chartered Accountant and Cost & Management Accountant. With over 42 years of extensive experience in accounts and finance, he oversees the Company's accounting practices, audit functions, financial strategy, planning and forecasting. He serves as a permanent invitee to the Audit Committee.

MR. DOUGLAS BAILEY
Global Chief Executive Officer

Mr. Douglas Bailey brings over three decades of global leadership experience in the semiconductor and power electronics industry. He has led global marketing and application engineering functions and played a pivotal role in establishing leadership in wide bandgap technologies, including Gallium Nitride (GaN) and Silicon Carbide (SiC). His appointment as Global CEO in the fourth quarter of 2025-2026 reflects the Company's commitment to building a globally competitive technology and commercial platform.

MR. LALIT TEJWANI
Chief Strategy Officer

Mr. Lalit Tejwani shapes the strategic direction of HIRECT, working across functions to drive execution of strategic initiatives, optimize resources and strengthen the Company's market position and long-term partnerships.

MR. K. R. NARAYANAN
Chief Revenue Officer

Mr. K. R. Narayanan has over 36 years of experience in power electronics application sales across semiconductors, electrostatic pollution control and electrochemical industries. He leads HIRECT's revenue strategy and customer relationships across domestic and international markets.

MR. B. BRAHMANANDA REDDY
Chief Technology Officer

Mr. B. Brahmananda Reddy oversees the Company's entire product innovation lifecycle, from design and testing to production transfer. He is responsible for strategic technology partnerships, R&D infrastructure and the engineering talent pipeline, all of which help sustain HIRECT's technical leadership.

MR. SHAILESH JADHAV
Vice President, Operations

Mr. Shailesh Jadhav leads the Company's production operations, driving efficiency through performance monitoring, budgeting, cost control and inventory management. He ensures alignment of manufacturing capacity and capability with the Company's order execution commitments.

CORPORATE INFORMATION

BOARD OF DIRECTORS

- **Mr. Suramya Nevatia**
  Chairman & Managing Director (KMP)
- **Mrs. Akshada Nevatia**
  Executive Director (KMP)
- **Mr. Parimal Merchant**
  Non-Executive, Non-Independent Director
- **Mr. Vandan Shah**
  Non-Executive, Independent Director
- **Mrs. Ashlesha Bodas**
  Non-Executive, Independent Director
- **Mr. Vishal Pacheriwala**
  Non-Executive, Independent Director

CHIEF EXECUTIVE OFFICER (KMP)

- **Mr. Manoj Nair**

CHIEF FINANCIAL OFFICER (KMP)

- **Mr. Anil Kumar Nemani**

GLOBAL CHIEF EXECUTIVE OFFICER

- **Mr. Douglas Bailey**

COMPANY SECRETARY & COMPLIANCE OFFICER (KMP)

- **Mr. Suhas Pawar**

REGISTERED OFFICE

- Lake Road, Bhandup (W), Mumbai - 400 078
  Tel.: +91 22 49601775
  Email: investors@hirect.com
  Website: www.hirect.com

CORPORATE IDENTITY NUMBER (CIN)

- **L28900MH1958PLC011077**

STATUTORY AUDITOR

- **GMJ & Co., Chartered Accountants**

SECRETARIAL AUDITOR

- **GMJ & Associates, Company Secretaries**

REGISTRAR TO AN ISSUE & SHARE TRANSFER AGENT

- **Adroit Corporate Services Private Limited**
  (Unit: Hind Rectifiers Limited)
  17-20, Jafarbhoy Industrial Estate, 1st Floor,
  Makwana Road, Marol Naka, Andheri (East),
  Mumbai - 400 059, Maharashtra
  Tel.: +91 22 28594060/28596060
  Fax: +91 22 28503748
  Email: info@adroitcorporate.com
  Website: www.adroitcorporate.com

BANKERS

- ICICI Bank Limited
- IDFC First Bank Limited
- Standard Chartered Bank
- TJSB Sahakari Bank Limited
- Apna Sahakari Bank Limited
- Saraswat Co-operative Bank Limited

STATUTORY REPORTS

BOARD'S REPORT

Dear Members,

The Directors present the 68th Annual Report of Hind Rectifiers Limited, along with the Audited Financial Statements of the Company for the financial year ended March 31, 2026.

FINANCIAL RESULTS

The Company's financial performance (standalone and consolidated) for the financial year ended March 31, 2026 is summarized below:

(₹ in millions)

	Standalone		Consolidated	
	FY 2025-2026	FY 2024-2025	FY 2025-2026	FY 2024-2025
Revenue from Operation	**9,492.12**	6,553.67	**9,991.25**	6,553.67
Other Income	**9.63**	14.81	**16.46**	14.81
Total Revenue	**9,501.75**	6,568.48	**10,007.71**	6,568.48
Profit Before Interest, Tax, Depreciation and Amortization (PBITDA)	**1,034.66**	719.50	**857.21**	717.92
Less: Finance Cost	**158.50**	131.92	**159.80**	131.92
Profit / Loss before Depreciation and Tax	**876.16**	587.58	**697.41**	586.00
Less : Depreciation	**126.35**	84.87	**138.34**	84.87
Profit / (Loss) before Exceptional Item	**749.81**	502.71	**559.07**	501.13
Exceptional Items	**(19.96)**	-	**(19.96)**	-
Profit / (Loss) before Tax	**729.85**	502.71	**539.11**	501.13
Less: Provision for Taxation- Current	**131.73**	131.17	**131.73**	131.17
Deferred	**21.41**	(1.17)	**21.41**	(1.17)
Profit / (Loss) after Taxes	**576.71**	372.71	**385.97**	371.13
Other Comprehensive Income (Net of Tax)	**(5.67)**	(0.04)	**(3.72)**	(0.04)
Total Comprehensive Income for the year	**571.04**	372.67	**382.25**	371.09

OPERATIONS

The Company reported a 44.84% increase in Revenue from operations to ₹ 9,492.12 million for the financial year 2025-2026, compared to ₹ 6,553.67 million in the previous year. Profit before interest, depreciation, and tax stood at ₹ 1,034.66 million, increase by 43.80%, compared to ₹ 719.50 million in the previous year, driven by the better cost management and operating leverage. Profit before exceptional item was ₹ 749.81 million, higher by 49.15%, compared to ₹ 502.71 million, led by monitoring of interest cost. The Company also registered a significant 54.73% rise in its Profit after Tax to ₹ 576.71 million, compared to ₹ 372.71 million in the previous year.

The Company delivered strong performance during the financial year 2025-2026 by scaling the production of core products like traction transformers and traction motors and ramping up new products like hotel load convertors.

The Company has made significant progress on backward integration by commissioning the new CTC plant during the year. The Company continues to pursue cost optimization across the product lines.

The Company has a strong order board of ₹ 85,000 lakhs with a robust pipeline of tenders in the coming quarters. Indian Railways has increased the capital allocation by 10.5% in FY 2026-2027 and hence continued momentum in the production of locomotives and rolling stock will bolster the demand from the Rail market. The projected GDP growth of 7.4% in the current fiscal is expected to generate demand for our Industrial products across various segments like Power, Chemical, Metals, Oil & Gas and Renewables.

The Company continues to accelerate the investments in R&D and new product development to sustain competitive differentiation. The R&D team has geared up for multiple product launches during the current year.

During the year, the Company has taken a significant step in the global expansion with the acquisition of Belink Solutions, France. This strategic move helps establish and expand the global footprint.

The Company is in the process of setting up a wholly owned subsidiary in the UAE, which will function as a holding company for existing and future international subsidiaries, facilitating global expansion strategy.

No material changes and commitments have occurred after the close of the year under review till the date of this Report which affect the financial position of the Company. The Company did not undergo any change in the nature of its business during the financial year 2025-2026.

DIVIDEND

The Board of Directors is pleased to recommend a dividend of ₹ 1.40 per equity share (70% of the nominal value of ₹ 2/- per equity share) for the financial year ended March 31, 2026. The said dividend, if approved by the Members at the ensuing Annual General Meeting, would result in a cash outflow of ₹ 48.12 million.

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Company has formulated a Dividend Distribution Policy which details various considerations based on which the Board may recommend or declare Dividend.

The Policy is available on the website of the Company at www.hirect.com.

TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the year under review.

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2026, stood at ₹ 6,87,35,228/-.

During the year under review, your Company allotted 21,132 equity shares of ₹ 2/- each pursuant to the exercise of Stock Options in terms of HIRECT Employees Stock Option Plan – 2018 (ESOP 2018) of your Company.

Further, the Company declared bonus shares in the ratio of 1:1 i.e. 1 (One) new fully paid-up equity share for every 1 (One) existing fully paid-up equity share and accordingly, issued and allotted 1,71,83,807 equity shares of ₹ 2/- each in compliance with the provisions of Section 63 of the Companies Act, 2013 ("Act"), SEBI Listing Regulations, and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, by capitalizing Company's securities premium account to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended March 31, 2025.

Consequent to the above allotments, the issued and paid-up Equity Share Capital of the Company was increased from ₹ 3,43,25,350/- to ₹ 6,87,35,228/- during the year.

RAISING OF FUNDS BY ISSUANCE OF WARRANTS CONVERTIBLE INTO EQUITY SHARES ON A PRIVATE PLACEMENT BASIS

Pursuant to the shareholders' approval received by way of postal ballot on August 28, 2025, your Company has issued 2,00,000 warrants at a price of ₹ 1,368.22 per warrant, each convertible into, or exchangeable for, 1 (One) fully paid-up equity share of the Company of face value of ₹ 2/- each to Elventive Tech Private Limited, by way of preferential issue on a private placement basis for an aggregate consideration of up to ₹ 27,36,46,000/-. Your Company had received minimum 25% of the funds towards warrant subscription and the funds received from proceeds of warrants were yet to be utilized as on March 31, 2026, as per the Objects stated in the Offer Document.

During the year under review, the Company did not issue any shares, convertible securities, or shares with differential voting rights except as stated above. None of the Directors of the Company hold any instruments convertible into equity shares of the Company as on March 31, 2026.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public and, as such, no amount on account of principal or interest on deposits from the public was outstanding as of the date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS

The particulars of loans, guarantees, and investments made by the Company, as required under Section 186 of the Act, have been disclosed in the financial statements. For details, please refer to note no. 6 forming part of the standalone financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Act and relevant SEBI Listing Regulations, the Consolidated Financial Statements of the Company, including the financial details of all the subsidiary companies, forms part of this Annual Report.

The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

As of March 31, 2026, the Company has 3 (Three) subsidiaries and there has been no material change in the nature of the subsidiary's business. The Company does not have any associates or joint ventures within the meaning of Section 2(6) of the Act.

During the year under review, Coincade Studios Private Limited was incorporated as a wholly owned subsidiary on April 15, 2025, with the intention of developing cutting-edge products and solutions in information technology (IT), artificial intelligence (AI), Web3, and varied software.

Further, Elventive France SAS (formerly known as Belink Hirect SAS) was incorporated as a subsidiary of the Company on September 30, 2025, with the objectives of acquiring BeLink Solutions, France to create a European hub for Next-Generation Robotics, Power Electronics and Electronics Manufacturing Services.

Pursuant to the provisions of sub-section (3) of Section 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of these subsidiaries are uploaded on the website of the Company at https://hirect.com/financials-annual-reports/. Further, in terms of the SEBI Listing Regulations, the Company has formulated a policy for determining its material subsidiaries and the same is available on the website of the Company at https://hirect.com/policies/.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of clause (c) of sub-section (3) and sub-section (5) of Section 134 of the Act, the Board of Directors, to the best of its knowledge and ability confirms that:

i. In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed and no material departures have been made from the same;

ii. we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2026, and of the profit of the Company for that period;

iii. we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. we have prepared the annual accounts on a going concern basis;

v. we have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and

vi. we have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

In terms of Regulation 34 of the SEBI Listing Regulations, a separate section on Management Discussion and Analysis Report and Corporate Governance Report together with a certificate from the statutory auditors confirming compliance with the provisions relating to Corporate Governance of the SEBI Listing Regulations are set out and form part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2) of the SEBI Listing Regulations as amended from time to time and based on the market capitalization as on the financial year ended March 31, 2026, the Company is not required to submit the Business Responsibility and Sustainability Report for the financial year 2025-2026.

EMPLOYEES STOCK OPTION SCHEME

With a view to attracting and retaining key talent by rewarding performance and motivating employees to contribute to the overall corporate growth and profitability, the Company grants share-based benefits to eligible employees under its ESOP Scheme.

The Company's Employees Stock Option Scheme, viz., 'HIRECT Employees Stock Option Plan – 2018' or 'ESOP 2018', was approved by the members at the 60th Annual General Meeting held on August 13, 2018, for the 2,50,000 options convertibles into an equal number of equity shares.

The Nomination and Remuneration Committee of the Board of Directors, inter alia, administers and monitors the Employees' Stock Option Plan of the Company. The grant and vesting of options are based on the performance of the employee, as may be determined by the Nomination and Remuneration Committee from time to time. The vesting period shall not be less than one year and not more than four years from the date of grant of options. Vesting may occur in one or more tranches.

BOARD'S REPORT (Contd.)

The exercise price shall be based on the market price of the Company's shares, which is defined as the latest closing price on a recognized stock exchange where the shares of the Company are listed, on the trading day immediately preceding the date of the meeting of the Committee at which the grant is approved. The maximum term of the options granted under the scheme shall be five years from the date of grant. The scheme contemplates a fresh issue of shares by the Company ("Primary Shares"). There has been no change in the scheme nor any variation in the terms of the options. The scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the financial year 2025-2026, 1,00,000 stock options were granted under the ESOP Scheme and no options were lapsed during the year. Please refer to note no. 65 in the financial statements for further details.

During the financial year, a total of 14,207 stock options vested, and 21,132 equity shares were allotted pursuant to the exercise of options approved by the Nomination and Remuneration Committee. The exercise price was ₹ 85/- per share (including a face value of ₹ 2/-). Through the exercise of these options, the Company realized ₹17,96,220/-. With respect to 21,132 equity shares allotted, the Company received listing and trading approvals from BSE and NSE on August 12, 2025, and the said equity shares have been listed and admitted for trading on the Stock Exchanges from August 13, 2025.

The details of ESOP 2018, including the terms of reference and the disclosures required under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the Company's website at www.hirect.com.

The Compliance Certificate under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, issued by the Secretarial Auditor of the Company, is available for inspection by the Members at www.hirect.com.

BOARD OF DIRECTORS /KEY MANAGERIAL PERSONNEL

a. Board of Directors

The Board composition of the Company as on March 31, 2026, was as under:

Name	Category of Directorship
Mr. Suramya Nevatia	Chairman & Managing Director
Mrs. Akshada Nevatia	Executive Director
Mr. Parimal Merchant	Non-Executive Director
Mr. Vandan Shah	Independent Director
Mrs. Ashlesha Bodas	Independent Director
Mr. Vishal Pacheriwala	Independent Director

Details of changes in the Board composition during the year under review and until the date of this Report, are as under:

i. The Board and Members of the Company approved the re-appointment of Mrs. Akshada Nevatia as the Whole-time Director designated as an Executive Director for a period of 3 (Three) years with effect from January 15, 2026.

Further, the change in terms of appointment has been approved by the Board of Directors at their meeting held on May 16, 2026 to make her not liable to retire by rotation in compliance with the provisions of section 152(6) of the Act, subject to the approval of Members of the Company.

ii. The Board and Members of the Company approved the re-appointments of Mrs. Ashlesha Bodas and Mr. Vandan Shah as Independent Directors of the Company for a second term of 5 (Five) years with effect from June 26, 2025 and February 10, 2026, respectively.

iii. In view of induction of Mr. Manoj Nair as the Chief Executive Officer of the Company, Mr. Suramya Nevatia relinquished the position of the Chief Executive Officer of the Company with effect from October 10, 2025, and continued as the Chairman & Managing Director of the Company.

iv. The Board on the recommendation of Nomination and Remuneration Committee at its meeting held on May 16, 2026, has approved the re-appointment of Mr. Suramya Nevatia as the Managing Director for a period of 3 (Three) years with effect from August 17, 2026 based on his performance evaluation and recommended the same to the Members of the Company for their approval.

The Board approved the appointments/re-appointments on the recommendation of the Nomination and Remuneration Committee, which in terms of the provisions of the Act and the SEBI Listing Regulations, reviewed and evaluated the composition of the Board, including the skills, knowledge and experience of the Directors.

Pursuant to the provisions of sub-section (6) of Section 152 of the Act and Articles of Association of the Company, being the director holding office for the longest duration, Mr. Parimal Merchant is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The agenda items with respect to the reappointment of Mr. Suramya Nevatia, Mr. Parimal Merchant and revision in remuneration of Mrs. Akshada Nevatia, along with their brief resume, expertise and other details as required in terms of sub-regulation (3) of Regulation 36 of the SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings, forms part of the Notice convening the ensuing Annual General Meeting.

b. Key Managerial Personnel

Details of Key Managerial Personnel of the Company as on March 31, 2026, are as under:

Mr. Suramya Nevatia, Chairman & Managing Director;

Mr. Manoj Nair, Chief Executive Officer;

Mr. Anil Kumar Nemani, Chief Financial Officer; and

Mrs. Megha Singh Shekhawat (ICSI Membership No: A46779), Interim Company Secretary & Compliance Officer.

Details of changes in the Key Managerial Personnel during the year under review are as under:

i. Mr. Manoj Nair was appointed as the Chief Executive Officer of the Company with effect from October 10, 2025.

ii. Ms. Meenakshi Anchlia, Company Secretary and Compliance Officer of the Company, resigned with effect from the close of business hours on November 3, 2025.

iii. Mrs. Megha Singh Shekhawat (ICSI Membership No: A46779) was appointed as the Interim Company Secretary & Compliance Officer of the Company with effect from January 30, 2026.

Details of changes in the Key Managerial Personnel after the end of financial year 2025-2026 till the date of this report:

i. Mr. Suhas Pawar, (ICSI Membership No. ACS-36560) was appointed as the Company Secretary and Compliance Officer (being Key Managerial Personnel) of the Company with effect from May 16, 2026 in place of Mrs. Megha Singh Shekhawat who ceased to be the interim Company Secretary and Compliance Officer of the Company with effect from the close of business hours of May 16, 2026.

c. Declaration by Independent Directors

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 of the SEBI Listing Regulations including amendments thereof, the Company has received declarations from all the Independent Directors of the Company that they meet the criteria of independence, as prescribed under the provisions of the Act and the SEBI Listing Regulations, as amended. The Independent Directors have also confirmed their compliance with the Company's Code of Conduct. In the opinion of the Board, there has been no change in circumstances affecting their status as Independent Directors of the Company during the year under review. Further, in accordance with Regulation 25(8) of SEBI Listing Regulations, the independent directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties independently.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold the highest standards of integrity. The Independent Directors of the Company are compliant with the provisions of Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Further, the Non-Executive Directors had no material pecuniary relationships or transactions with the Company, other than sitting fees and reimbursement of reasonable expenses, if any, incurred for attending meetings of the Board/Committee(s) of the Company.

In terms of Section 149 of the Act, and the SEBI Listing Regulations, Mr. Vandan Shah, Mrs. Ashlesha Bodas and Mr. Vishal Pacheriwala are the Independent Directors of the Company.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the independent directors have also confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ("IICA") and the said registration is renewed and is active. Additionally, they have complied with the applicable requirements of the online proficiency self-assessment test conducted by the IICA.

During the financial year 2025-2026, the independent directors had no pecuniary relationships or transactions with the Company, except as disclosed in the Report on Corporate Governance which forms part of this Report.

BOARD'S REPORT (Contd.)

d. Annual Evaluation of Board, its Committees and Directors

The Board of Directors has carried out an annual evaluation of its own performance, the performance of Board, Committees and individual directors in accordance with the provisions of the Act, and the SEBI Listing Regulations. The Board was highly satisfied with the evaluation process and the overall performance.

The Board conducted a self-evaluation process, seeking input from all Directors on criteria such as board composition and structure, effectiveness of board processes and information flow, and overall functioning.

The Board evaluated the performance of the Committees after seeking inputs from the respective Committee members, based on criteria such as committee composition, effectiveness of meetings, and related aspects.

The Board reviewed the performance of individual directors based on criteria such as preparedness, contribution to discussions, and the quality of their input during Board and Committee meetings. The evaluation of Independent Directors was conducted by the entire Board, excluding the director being assessed.

In a separate meeting of the Independent Directors, the performance of each Director (Non-Independent Directors and Independent Directors), the Board as a whole, the Committees of the Board, the Chairman and Managing Director of the Company, and the flow of information were evaluated, taking into account the views of the Executive and Non-Executive Directors.

At the Board meeting following the meeting of the Independent Directors and the Nomination and Remuneration Committee, the performance evaluation result of the Board, its Committees, and individual Directors was considered and discussed. The evaluation of Independent Directors was conducted by the entire Board, excluding the Independent Director being evaluated.

The evaluation criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

e. Remuneration policy and criteria for making payment to Non-Executive Directors

The Company has an appropriate and balanced mix of Executive, Non-Executive, and Independent Directors to ensure the independence of the Board. This composition facilitates a clear separation between the Board's governance responsibilities and the Company's management functions, thereby enhancing overall effectiveness and accountability in decision-making.

The Company's policy on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director, and other related matters as required under sub-section (3) of Section 178 of the Act, is available on the Company's website at https://hirect.com/policies/.

We affirm that the remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy of the Company.

The salient features of the policy include serving as a guideline for matters related to the appointment and re-appointment of Directors, Key Managerial Personnel, and Senior Management Personnel; providing guidelines for determining the qualifications, positive attributes, and independence of Directors; and laying down the criteria for Board membership, among other provisions.

f. Familiarization Program for Independent Directors

The Directors of your Company are provided opportunities to familiarize themselves with your Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of your Company, its various operations and the industry in which it operates.

The roles and responsibilities of the Independent Directors of your Company are informed to them at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails, etc.

The details of familiarization programme conducted for Independent Directors are disclosed on the website of the Company at: https://hirect.com/wp-content/uploads/2022/12/Familiarization-Programme-for-Independent-Directors.pdf As a part of Familiarization Programme, regular updates on relevant statutory and regulatory changes encompassing important laws are presented to the Directors.

g. Meetings of the Board of Directors

During the year under review, the Board met 8 (Eight) times. The details of these meetings are provided in the Corporate Governance Report, which forms part of this report. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Act.

h. Committees of the Board

Information of the Audit Committee, the Nomination & Remuneration Committee, the Stakeholders Relationship Committee and the Corporate Social Responsibility Committee, including their composition, number of meetings, attendance, and other related information, are provided in the Corporate Governance Report. The Board has accepted all the recommendations made by the Committees.

AUDITORS

a) Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. GMJ & Co, Chartered Accountants (Firm Registration Number: 103429W), were appointed as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of the sixty fourth annual general meeting until the conclusion of the sixty ninth annual general meeting.

The statutory auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

The Audit Committee reviews the independence and objectivity of the statutory auditors and the effectiveness of the Audit process.

The Statutory Auditors' Report for FY 2025-2026 does not contain any qualifications, reservations, adverse remarks or disclaimers and no fraud was reported by the Auditors under sub-section (12) of Section 143 of the Act.

b) Cost Auditors

The Company maintains cost records and conducts cost audits in compliance with the provisions of Section 148 of the Act, and the Companies (Cost Records and Audit) Rules, 2014.

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment of M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration Number R100675) as the Cost Auditors for the financial year 2026-2027 and have recommended their remuneration to the Members for ratification at the ensuing Annual General Meeting. The Company has received its written consent confirming that the appointment complies with the applicable provisions of the Act, and the rules framed thereunder. The Cost Auditors have confirmed their independence and that they are not disqualified from being appointed as Cost Auditors of the Company under Section 141 of the Act.

The Cost Auditors' Report for FY 2024-2025 does not contain any qualifications, reservations, adverse remarks or disclaimers and no fraud was reported by the Cost Auditors under sub-section (12) of Section 143 of the Act. The said Cost Audit Report was filed with the Ministry of Corporate Affairs on August 28, 2025.

The Report of the Cost Auditors for the financial year 2025-2026 is under finalization and shall be filed with the Ministry of Corporate Affairs within the prescribed period.

c) Secretarial Auditor

In compliance with Regulation 24A of the SEBI Listing Regulations, and Section 204 of the Act, M/s. GMJ & Associates, Practising Company Secretaries, a peer reviewed firm (Peer Review Certificate No.: 6140/2024) were appointed as the Secretarial Auditors of the Company for a term of five consecutive years commencing from the financial year 2025-2026 till the financial year 2029-2030.

The Secretarial Audit Report in Form MR-3 is annexed to this Report as **Annexure A**. The said Secretarial Audit report does not contain any qualifications, reservations, adverse remarks or disclaimers and no fraud was reported by the Secretarial Auditors under sub-section (12) of Section 143 of the Act.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR initiatives and activities are aligned with the requirements of Section 135 of the Act.

A brief outline of the Company's CSR Policy and the initiatives undertaken in this regard are provided in **Annexure E** of this report, in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Policy is available on the Company's website at https://hirect.com/policies/.

During the year under review, the Board of Directors of the Company reconstituted the Corporate Social Responsibility Committee (CSR Committee). The CSR Committee comprises of Mr. Vishal Pacheriwala, Chairman; Mr. Suramya Nevatia, Member and Mrs. Akshada Nevatia, Member.

PROHIBITION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company maintains a zero-tolerance policy towards sexual harassment in the workplace and has adopted a policy in alignment with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, along with its Rules. This policy applies to all employees, including permanent, contractual, temporary staff, and trainees. To ensure prompt and effective resolution of complaints, Internal Complaints Committees have been established to address issues related to sexual harassment.

During the year under review, no complaints were pending at the beginning of the year, no complaints were received during the year, no complaints were disposed of during the year, and no cases remained pending at the end of the year.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

The Company is committed to upholding the highest standards of ethical, moral, and legal conduct in its business operations. In line with this commitment, a Whistle blower Mechanism has been established to enable Directors and employees to report concerns regarding unethical behaviour, actual or suspected fraud, or violations of the Company's Code of Conduct. The policy is reviewed periodically by the Board and updated as necessary to ensure its continued relevance and effectiveness.

During the year under review, the Company did not receive any complaints under the Vigil Mechanism/Whistle blower Policy. The Policy is available on the website of the Company at https://hirect.com/policies/.

RISK MANAGEMENT

The Company has implemented a Risk Management Policy approved by the Board of Directors, which establishes a comprehensive framework for identifying and assessing various risks, including operational, strategic, financial, regulatory, and human resource risks. This policy ensures the development of adequate risk management infrastructure to effectively address these risks. The Audit Committee oversees financial risks, controls, and cybersecurity. Major risks identified across different business units and functions are systematically managed through continuous mitigating actions. The risk management framework is regularly reviewed, with the Management consistently monitoring its development and implementation. Furthermore, the Company has established a robust internal audit function that systematically reviews and ensures the ongoing effectiveness of its internal financial controls.

INTERNAL FINANCIAL CONTROLS

The establishment of an effective corporate governance and internal control system is essential for sustainable growth and long-term enhancement of corporate value. Accordingly, the Company continuously strives to strengthen these structures, recognizing that a robust internal control framework serves as a key pillar of sound corporate governance.

The scope of audit activities is broadly determined by the annual audit plan, which is approved by the top management and the Audit Committee. The Internal Auditors conduct regular reviews of the internal systems and procedures, and submit reports outlining their findings. They also monitor the implementation of corrective actions to ensure the effectiveness and continual improvement of the internal control framework.

The Audit Committee of the Board of Directors periodically reviews the adequacy and effectiveness of the internal financial control system of the Company. Based on its assessment, the Committee provides recommendations to enhance and strengthen the internal control mechanisms, thereby ensuring reliability and integrity of financial reporting and compliance with applicable laws and regulations.

Based on the internal financial control and compliance procedures established and maintained by the Company, along with the work carried out by the internal auditors, statutory auditors, cost auditors, and secretarial auditors including their audit of internal financial controls and the reviews conducted by the management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2025-2026.

The Company has adopted comprehensive policies and procedures to ensure the orderly and efficient conduct of its business operations. These encompass adherence to established policies, safeguarding of assets, prevention and detection of fraud and errors, ensuring the accuracy and completeness of accounting records, and the timely preparation of reliable financial disclosures.

The Company's internal control systems are designed to align with the nature of its business as well as the size and complexity of its operations. The internal financial controls related to the financial statements are considered adequate and effective.

The Company has adequate systems and processes in place to comply with all applicable laws and regulations including the CSR obligations and to pay applicable taxes on time.

BOARD DIVERSITY

The Company believes that true board diversity encompasses a wide range of perspectives and is not limited to the presence of various diverse traits. A diverse Board enhances the quality of decision-making by drawing on the varied thoughts, perspectives, skills, qualifications, experience, knowledge, regional and industry expertise, cultural and geographical backgrounds, age, ethnicity, race, and gender of its members contributing meaningfully to sustainable and balanced development.

In line with this philosophy, the Company has adopted a Board Diversity Policy that outlines its approach to ensuring diversity on the Board. The Policy is available on the Company's website at https://hirect.com/policies/.

CODE OF CONDUCT

The Company is committed to conducting its business in compliance with all applicable laws, rules, and regulations while upholding the highest standards of business ethics. In line with this commitment, the Board of Directors has adopted a Code of Conduct for Directors and Senior Management Personnel, designed to address ethical concerns and promote a culture of accountability and integrity throughout the organization. A copy of the Code has been put on the website of the Company for information of all the members of the Board and Senior Management Personnel at https://hirect.com/policies/. Each Director and Senior Management Personnel including all functional heads, to which this code has been made applicable, have affirmed their compliance with the Code.

RELATED PARTY TRANSACTIONS

All contracts, arrangements, and transactions entered into by the Company with related parties during the financial year were on an arm's length basis and in the ordinary course of business. Disclosure in Form AOC-2, pursuant to the provisions of Sections 134 and 188 of the Act, for material related party transactions, is annexed as **Annexure D** and forms an integral part of this Report. Further, all related party transactions have been disclosed in the notes to the financial statements. There were no Related Party Transactions that may have a potential conflict with the interest of the Company.

The Board has approved the criteria for granting omnibus approval by the Audit Committee. Prior omnibus approval is obtained for related party transactions that are of a repetitive nature, entered into in the ordinary course of business, and at arm's length basis. A statement giving details of all Related Party Transactions is placed before the Audit Committee on a quarterly basis for its review. Disclosure of related party transactions as required under Indian Accounting Standards-24 have been made in the note no. 66 to the standalone financial statements.

The Board approved Policy on Related Party Transactions is available on the website of the Company at https://hirect.com/policies/.

ANNUAL RETURN

In terms of Section 92(3) of the Act, read with Section 134(3)(a) of the Act, the Annual Return of the Company is available on the website of the Company at https://hirect.com/annual-returns/.

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

Information regarding the conservation of energy, technology absorption, foreign exchange earnings, and outgo, as required to be disclosed under Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure C** and forms an integral part of this report.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is annexed as **Annexure B** and forms an integral part of this Annual Report.

The statement containing names and other details of the employees as required under sub-section 12 of Section 197 of the Act read with sub-rules (2) & (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. In terms of sub-section (1) of Section 136 of the Act, the Annual Report is being sent to the Members and others entitled thereto, excluding the aforesaid information. The said information is open for inspection and any Member interested in obtaining a copy of the same may write to the Company at the email ID investors@hirect.com.

OTHER DISCLOSURES

The Directors confirm that during the year under review and as on the date of this Report:

a) The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

b) The Company has not issued shares (including sweat equity shares) to employees under any scheme.

c) There was no revision in the financial statements.

d) There has been no change in the nature of business of the Company.

e) The Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries.

f) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

g) There have been no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

h) There are no proceedings initiated or pending under the Insolvency and Bankruptcy Code, 2016.

i) There was no instance of one-time settlement with any Bank or Financial Institution.

j) The Company has complied with the provisions relating to the Maternity Benefits Act, 1961.

k) There are no agreements defined under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations that are binding on the Company.

l) The Company has been in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, during the financial year.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION

The Company acknowledges the significance of maintaining environmentally clean and safe operations. Its policy mandates conducting all activities in a manner that ensures the safety of all individuals involved while strictly adhering to applicable environmental regulations. Accordingly, the Company has implemented all necessary measures for safety, environmental control, and protection across all its plants.

ACKNOWLEDGMENT

The Directors sincerely appreciate the assistance and cooperation extended by the Government and Railways authorities, customers, vendors, suppliers, banks, financial institutions and investors during the year under review. They also wish to express their gratitude for the efficient and loyal services rendered by every employee, acknowledging that it is through their dedicated efforts that the Company's overall performance has been achieved. The Directors look forward to the long-term future with confidence and deeply value the contributions made by every member of the HIRECT family.

For and on behalf of the Board of Directors
Hind Rectifiers Limited

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Place: Mumbai
Date: May 16, 2026

ANNEXURE 'A' TO THE BOARD'S REPORT

Form No.MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014)

To,
The Members,
HIND RECTIFIERS LIMITED
Lake Road,
Bhandup (West), Mumbai – 400078.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HIND RECTIFIERS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2026** complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **HIND RECTIFIERS LIMITED** for the financial year ended on **March 31, 2026**, according to the provisions of:

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

ii. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent applicable;

iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

iv. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder;

v. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

vi. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz

   a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

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

   d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the review period)

   g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the review period)

   h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Company during the review period)

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

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

   b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company being engaged in developing, designing, manufacturing and marketing of Electronics, Electricals and Electro-Mechanical Equipment's, Power Electronic Equipment's & Railway Traction Equipment's, there are no specific laws applicable to the Company, which require approvals or compliances under any Act or Regulations.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by us the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We report that the Compliance by the Company of the following has not been reviewed in this Audit:

(a) Applicable financial laws, like direct, indirect tax laws and Goods and Service Tax, Maintenance of financial records, etc., since the same has been subject to review by statutory financial auditor and other designated professionals.

(b) As informed by the Company the Industry specific laws/general laws as applicable to the Company has been complied with. The management has also represented and confirmed that all the laws, rules, regulations, orders, standards and guidelines as are specifically applicable to the Company relating to Industry/Labour etc., have been complied with.

We further report that:

1. The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

   During the year under review, the following changes in the composition of the Board of Directors were carried out in compliance with the provisions of the Act:

   a. Mrs. Ashlesha Bodas was re-appointed as a Non-Executive Independent Director of the Company for a second and final term of five (5) consecutive years effective from June 26, 2025 to June 25, 2030, with the approval of the Shareholders at the Annual General Meeting held on July 29, 2025.

   b. Mr. Vandan Shah was re-appointed as a Non-Executive Independent Director of the Company for a second and final term of five (5) consecutive years effective from February 10, 2026 to February 09, 2031, with the approval of the Shareholders at the Annual General Meeting held on July 29, 2025.

   c. Mrs. Akshada Nevatia was re-appointed as an Executive Director of the Company for the term of three (3) years effective from January 15, 2026, with the approval of the Shareholders at the Annual General Meeting held on July 29, 2025.

2. That there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

3. Adequate notices are given to all the Directors to schedule the Board Meetings, Board Committee Meetings and wherever necessary consent for shorter notice was given by Directors, agenda and detailed notes on agenda were sent well 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. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

We further report that during the audit period,

(a) The Nomination and Remuneration Committee of the Board of Directors, at its meeting held on May 05, 2025, approved the vesting of 14,207 options (effective date - June 10, 2025) to the eligible employees of the Company under HIRECT Employees Stock Option Plan- 2018.

Further, Nomination and Remuneration Committee of the Board of Directors, at its meeting held on July 29, 2025 approved the allotment of 21,132 Equity Shares of ₹ 2/- each to eligible employees of the Company who exercised their vested options under HIRECT Employees Stock Option Plan- 2018.

Further, the Board of Directors, based on the recommendation of Nomination and Remuneration Committee of the Board of Directors of the Company, at its meeting held on February 11, 2026 has granted 1,00,000 Employee Stock Options out of the balance options available under ESOP 2018, at an exercise price of ₹ 800/- per option, to the eligible employees of the Company.

(b) The Company has incorporated a Wholly Owned Subsidiary, namely Coincade Studios Private Limited, in India on April 15, 2025. The Company has also incorporated a subsidiary, BELINK HIRECT SAS, in France on September 30, 2025, with the objective of acquiring BeLink Solutions, France to create a European hub for Next-Generation Robotics, Power Electronics and Electronics Manufacturing Services.

(c) The Board of Directors, through a Circular resolution approved the allotment of 2,00,000 Equity Warrants of face value of ₹ 2/- each, by way of Preferential issue, at an issue price of ₹ 1,368.23/- each, for cash consideration, to a Promoter Group entity of the Company. The said issuance was approved by the Shareholders of the Company by way of Postal Ballot Process on August 28, 2025.

(d) The Company issued and allotted 1,71,83,807 Bonus Equity Shares of face value of ₹ 2/- each fully paid up, in the proportion of 1:1 (i.e., one Bonus Equity Share for every one existing Equity Share held), pursuant to the approval of the Shareholders by way of Postal Ballot Process on March 19, 2026.

(e) The Board of Directors approved the incorporation of Wholly Owned Subsidiary in the United Arab Emirates(UAE) in the name Hirect Global Holdings Limited, to be incorporated in the Dubai International Financial Centre.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

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

For GMJ & ASSOCIATES
Company Secretaries
ICSI Unique Code P2011MH023200

CS MAHESH SONI
PARTNER
Membership No: F3706
Certificate of Practice No.:2324
UDIN: F003706H000384273
Peer Review Certificate No.: 6140/2024

Place: Mumbai
Date: May 16, 2026

ANNEXURE 'A' TO THE BOARD'S REPORT (Contd.)

ANNEXURE A

To,
The Members,
HIND RECTIFIERS LIMITED
Lake Road,
Bhandup West, Mumbai- 400078.

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

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

For GMJ & ASSOCIATES
Company Secretaries
ICSI Unique Code P2011MH023200

CS MAHESH SONI
PARTNER
Membership No: F3706
Certificate of Practice No.:2324
UDIN: F003706H000384273
Peer Review Certificate No.: 6140/2024

Place: Mumbai
Date: May 16, 2026

ANNEXURE 'B' TO THE BOARD'S REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2025-26 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 are as follows:

Name of Director/KMP and Designation	The ratio of the remuneration of each Director to median remuneration of employees	% increase in remuneration in the financial year 2025-26 as compared to financial year 2024-25
Mr. Suramya Nevatia^ - Chairman & Managing Director (KMP)	72.74	34.38
Mrs. Akshada Nevatia^ - Executive Director	46.33	47.77
Mr. Parimal Merchant - Non-Executive Director	0.86	109.09
Mr. Vandan Shah - Non-Executive and Independent Director	0.60	45.45
Mrs. Ashlesha Bodas - Non-Executive and Independent Director	0.37	900.00
Mr. Vishal Pacheriwala - Non-Executive and Independent Director	0.67	100.00
Mr. Anil Kumar Nemani - Chief Financial Officer (KMP)	18.21	22.16
Mr. Manoj Nair$ - Chief Executive Officer (KMP)	-	-
Ms. Meenakshi Anchlia* - Company Secretary (KMP)	-	-
Mrs. Megha Singh Shekhawat@ - Company Secretary (KMP)	-	-
Mr. Suhas Pawar& - Company Secretary (KMP)	-	-
The percentage increase in the median remuneration of employees in the financial year		(3.32%)
The number of permanent employees on the rolls of Company		679
The average percentage increase in the salaries of employees (excluding managerial personnel) during the financial year 2025-26. This average increase in remuneration, excluding managerial personnel, is in line with industry practices and Company's performance		13.39%
Affirmation that the remuneration is as per the remuneration policy of the Company.		It is affirmed that the remuneration is in accordance with the Company's remuneration policy.

^The remuneration includes incentives. The performance-linked incentive-based remuneration, as approved by the members through postal ballot dated March 29, 2025, is payable based on the profit before tax for each financial year.

$Appointed with effect from October 10, 2025.

**Resigned on November 3, 2025.*

@Appointed with effect from January 30, 2026 and resigned on May 16, 2026.

&Appointed with effect from May 16, 2026.

Details have not been provided in cases where the employment was not for the entire Financial Year 2025-26 or 2024-25, as the same is not comparable. Further, no Director is in receipt of any remuneration or commission from any subsidiary company.

For and on behalf of the Board of Directors
Hind Rectifiers Limited

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Place: Mumbai
Date: May 16, 2026

ANNEXURE 'C' TO THE BOARD'S REPORT

Information under 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 March 31, 2026.

A) CONSERVATION OF ENERGY

- Regular energy audits are being conducted to identify areas of energy loss and wastage.
- Power factor has been maintained at an optimum level to minimize electrical losses and improve energy efficiency.
- Continuous efforts are being made to optimize power consumption in manufacturing and testing activities through efficient utilization of equipment and infrastructure.

B) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

i) Efforts made towards technology absorption, adoption and innovation

- Successfully completed customer end type testing of the indigenously developed Propulsion System with Indian Railways.
- Successfully completed NABL laboratory type testing of Hirect Power Supply systems and deployed in the field.
- Successfully validated indigenously developed Gate Driver cards for high-power converter applications and deployed in the field.
- Successfully completed customer end type testing of the indigenously developed Computer Controlled Brake System (CCB) for 3-phase electric locomotives.
- Successfully completed field trials of the indigenously developed Hotel Load Converter with 2x600kVA Rating.
- Successfully completed customer type testing & Field Trial of FogPASS.
- Successfully completed customer type testing of RMPU Controller.
- Successfully completed development of the Flat Type RMPU for 1st AC LHB Coaches.
- Successfully completed development of the Tower Type CAB HVAC for the MRVC Driver Cabin.
- Successfully developed, type tested, and commissioned a SiC-based 4.5 kW Battery Charger for LHB coaches.
- Strengthened in-house engineering, validation, and testing capabilities for development of high-power, safety-critical, and railway-grade products.

ii) Benefits derived as a result of the above efforts

- Reduced dependency on external suppliers through indigenous development, resulting in better reliability, improved availability of components, enhanced product control, and cost optimization.
- Development of battery chargers for semi high-speed trains has expanded the Company's product portfolio and opened new business opportunities in high-speed and semi high-speed railway applications.
- Successful completion of Hotel Load Converter field trials with 2x600kVA rating has strengthened the Company's credentials in IGBT-based high-power converter systems for Indian Railways.
- Successful commissioning of the Propulsion System has enhanced the Company's credentials for future EMU, MEMU, and Vande Bharat train projects.
- Development and successful testing of PAPIS has enabled the Company to enter new product segments for EMU, MEMU, and Vande Bharat train applications.

- Successful development and supply of RMPU and RMPU Controller systems has strengthened the Company's capability for advanced railway applications, including Vande Bharat trains.
- Development of advanced welding rectifier technology is expected to improve duty cycle performance, arc stability, energy efficiency, compactness, and scalability of the systems.
- Adoption of SiC-based technologies has improved system efficiency, reduced size and weight, and enhanced thermal performance of power electronic systems.
- Indigenous development initiatives have contributed towards import substitution and supported the Government of India's "Make in India" initiative.

iii) In case of imported technology

Particulars	Details
Details of technology imported	Nil
Year of import	NA
Whether the technology has been fully absorbed	NA
If not fully absorbed, areas where absorption has not taken place and reasons thereof	Nil

iv) Expenditure incurred on Research and development

(₹ in millions)

Particulars	FY 2025-2026	FY 2024-2025
Capital	90.06	58.85
Recurring	145.09	122.61
Total	235.15	181.45
Total R&D expenditure as % of net operational income	2.48	2.77

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in millions)

Particulars	FY 2025-2026	FY 2024-2025
Foreign exchange earned		
1. Export of goods on FOB Basis, Commission and Service charges	55.51	65.66
Foreign exchange used		
1. Raw materials, stores, spare parts, capital goods, and other products	1,533.89	454.28
2. Expenditure in foreign currency	29.50	20.31

For and on behalf of the Board of Directors
Hind Rectifiers Limited

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Place: Mumbai
Date: May 16, 2026

ANNEXURE 'D' TO THE BOARD'S REPORT

FORM NO. AOC - 2

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

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

The Company did not enter into any contract, arrangement, or transaction with its related parties during the financial year 2025-2026 that was not in the ordinary course of business or not at arm's length.

The Company has established policies and procedures to ensure compliance with the relevant provisions of the Companies Act, 2013, the corresponding Rules, and the SEBI Listing Regulations, 2015.

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

a) Name(s) of the related party and nature of the relationship

Mr. Saurabh Nevatia, CEO of the Nashik Plant, is related to Mr. Suramya Nevatia, Chairman & Managing Director, and Mrs. Akshada Nevatia, Executive Director of the Company.

b) Nature of contracts/arrangements/transactions

Mr. Saurabh Nevatia is employed as a regular senior employee of the Company, and his remuneration is paid in accordance with his role. The remuneration paid to him has been approved by the members at the 64th Annual General Meeting as a related party transaction.

c) Duration of the contracts/arrangements/transactions

Mr. Saurabh Nevatia has been a regular employee of the Company since 1988.

d) Salient terms of the contracts or arrangements or transactions including the value, if any

A total remuneration of ₹ 9.03 millions was paid to Mr. Saurabh Nevatia during the financial year 2025-2026.

e) Date(s) of approval by the Board

The Board approved the said transactions on May 26, 2022.

f) Amount paid as advances, if any: Nil

3. Details of contracts or arrangements or transactions not in the ordinary course of business.

There were no contracts or arrangements or transactions entered into during the financial year 2025-2026 that were not in the ordinary course of business.

For and on behalf of the Board of Directors
Hind Rectifiers Limited

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Place: Mumbai
Date: May 16, 2026

ANNEXURE 'E' TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

   Our CSR initiatives are guided and regulated by our CSR Policy ('Policy'). The Policy was first adopted on March 2, 2016 and the same was amended subsequently to be aligned with applicable regulatory changes including:

   (i) Formulation and recommendation of Annual Action Plan.

   (ii) Oversight of the Board of Directors of the Company on utilization/disbursement of CSR Funds towards sanctioned CSR activities of the Company, including noting of the utilization certificate to be placed by the CFO of the Company.

   At present, our CSR activities focus on skill development, livelihood, etc.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vishal Pacheriwala	Chairman	1	1
2	Mr. Suramya Nevatia	Member	1	1
3	Mrs. Akshada Nevatia	Member	1	1

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

   https://hirect.com/committees-of-board-of-directors/

   https://hirect.com/policies/

   https://hirect.com/wp-content/uploads/2026/05/CSR-Annual-Action-Plan-29.07.2025.pdf

4. **Executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

   Not applicable

5. (a) Average net profit of the Company as per sub-section (5) of Section 135 : ₹ 26,07,75,434/-

   (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135 : ₹ 52,15,509/-

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

   (d) Amount required to be set-off for the financial year 2025-2026, if any : Nil

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹ 52,15,509/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 67,54,100/-

   (b) Amount spent in Administrative Overheads : Nil

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

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 67,54,100/-

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
67,54,100	Nil		Nil		

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

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of the average net profit of the Company as per Section 135(5)	52,15,509
(ii)	Total amount spent for the financial year 2025-2026	67,54,100
(iii)	Excess amount spent for the financial year [(ii)-(i)]	15,38,591
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	15,38,591

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

Sr. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under Section 135 (6) of the Act (In ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (In ₹)	Amount spent in the Financial Year (In ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) of the Act, if any		Amount remaining to be spent in succeeding financial years (In ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY -1	Not Applicable						
2	FY -2							
3	FY -3							

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

   No

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

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

Sr. 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		
					CSR Registration Number, if applicable	Name	Registered address
Nil							

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

   Not Applicable

For and on behalf of the Board of Directors
Hind Rectifiers Limited

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Vishal Pacheriwala
Chairman of CSR Committee
DIN: 07244575

Place: Mumbai
Date: May 16, 2026

REPORT ON CORPORATE GOVERNANCE

Hind Rectifiers Limited has earned industry respect for its professional management style and adherence to best business practices for over six decades. The Company's core values are anchored in integrity, legal compliance, respect for the law, commitment to product quality, and a caring ethos. It believes that good governance is a systemic process that ensures operations align with ethical, legal, and business expectations while also fulfilling social responsibilities. Additionally, the Company remains focused on delivering sustainable and competitive returns to its investors.

The Board strives to uphold the highest standards of governance by optimally leveraging the Company's resources and cultivating an environment conducive to the growth and development of its human capital. The management team is fully empowered to steer the Company's progress within a well-defined framework of accountability, thereby enabling the transformation of opportunities into tangible achievements for the benefit of the Company and its stakeholders. The Board has also institutionalized best management practices to foster a culture of responsibility and integrity. Robust systems are in place for strategic planning, risk management, financial forecasting and budgeting, internal controls, and transparent reporting. Clear communication guidelines ensure full and fair disclosure of all aspects of the Company's operations, performance, and compliance with statutory and regulatory requirements not merely in form, but in spirit. The Company believes that good governance builds trust and goodwill among its business partners, customers, investors, regulators, employees, and vendors, and earns the respect of society at large. It remains committed to protecting shareholder rights and ensuring timely, adequate, and accurate disclosure of its financials, performance, and leadership governance.

The Company upholds a strong legacy of fair, transparent, and ethical governance practices, with a continued emphasis on ensuring equity and openness in its dealings with all stakeholders. Shareholders can communicate any grievance to the Company through a dedicated Email ID investors@hirect.com.The Stakeholders Relationship Committee oversees the redressal of the complaints. Additionally, the Annual General Meeting serves as an important platform for shareholders to engage directly with the Board of Directors and express their views or concerns.

The Company's governance philosophy with respect to minority shareholders is guided by its core values, which emphasize fairness and transparency towards all stakeholders. Furthermore, a qualified, diverse, and independent Board ensures the protection of minority shareholders' interests.

CORPORATE ETHICS

The Company remains steadfast in its commitment to uphold the highest standards of business ethics, compliance with applicable laws, and transparency in all its business dealings. It continuously strives to foster a culture of integrity and accountability across all levels of the organization.

BOARD OF DIRECTORS

The Board is at the core of the corporate governance system of the Company and plays a pivotal role in overseeing the management in serving and protecting the long-term interests of all its stakeholders.

As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective, overall direction and independent view to the Company's management to achieve value creation through long term sustainable growth. A diverse and vigilant Board is essential to ensure highest standards of Corporate Governance.

The Board's mandate is to oversee the Company's strategic direction, review and monitor performance, ensure regulatory compliance and safeguard the long-term interest of the stakeholders. The day-to-day affairs are managed by the Managing Director and the Chief Executive Officer of the Company under the overall supervision of the Board and who ensures implementation of the decisions of the Board and its Committees.

Composition of the Board of Directors

The Company's Board has an optimum combination of Executive and Non-executive Directors as per the compliance requirements of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Board comprises qualified professionals who possess the necessary skills, competencies, and expertise to provide meaningful contributions to the deliberations of the Board and its Committees. The Directors are dedicated to upholding the highest standards of corporate governance and ensuring compliance with applicable regulatory and ethical norms.

The Directors are appointed or re-appointed with the approval of the shareholders and remain in office in accordance with the provisions of the law. The Independent Directors are appointed for a fixed term not exceeding 5 (Five) years in accordance with the provisions of the law.

As on March 31, 2026, the Board of Directors comprised 6 (Six) Directors. The Chairmanship of the Board rests with the Managing Director. The Board includes 2 (Two) Executive Directors and 4 (Four) Non-Executive Directors. Among the Executive Directors, 1 (One) is the Chairman & Managing Director (also a Promoter of the Company), and 1 (One) is an Executive Director, who is a Woman Director and a member of the Promoter Group. Among the Non-Executive Directors, 1 (One) is a Non-Executive (Non-Independent) Director, while the other 3 (Three) are Independent Directors, including 1 (One) Woman Independent Director.

The aforesaid composition of the Board is in compliance with the requirements of Regulation 17 of the SEBI Listing Regulations, read with the applicable provisions of Sections 149 and 152 of the Act.

In compliance with Regulation 36 of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings, the brief resume, expertise in specific functional areas, disclosure of relationships between directors inter-se, details of Directorships and Membership/Chairmanship in Committees of other companies (excluding foreign companies) and shareholding in the Company of the Directors proposed to be appointed / re-appointed forms part of the Notice convening the ensuing Annual General Meeting ("AGM").

Board Meetings

The Board meets at least 4 (Four) times in a year in accordance with the applicable laws. Additional meetings are held as and when required. The Company plans and schedules the meetings of the Board and its Committee(s) well in advance in order to ensure meaningful participation of Directors at the meetings.

Agenda including the detailed notes on agenda with relevant supporting documents are circulated to the Directors seven days prior to the date of the meeting, except for meeting(s) held at a shorter notice to transact urgent business, if any. The management ensures that the Board is provided with all necessary information, in addition to the information prescribed to be provided under the SEBI Listing Regulations and is kept well informed about the overall functioning of the Company, which enables the Board to contribute and provide their insight in the fruitful discussion which results into taking appropriate decisions. Prior consent of the Board is obtained in the beginning of the financial year for circulating the documents at a shorter notice for matters that form part of the agenda and are in the nature of Unpublished Price Sensitive Information ("UPSI"). However, in case of a special and urgent business need, approval is taken by passing resolution(s) by circulation, as permitted by law for the time being in force, which are noted and confirmed in the subsequent meeting.

During the year under review, the Board of Directors met 8 (Eight) times on May 05, 2025, July 29, 2025, September 23, 2025, October 10, 2025, November 06, 2025, January 30, 2026, February 11, 2026 and March 13, 2026, and not more than 120 (One Hundred and Twenty) days elapsed between the 2 (Two) meetings. The facility to participate in the meeting through video conferencing or other audio-visual means was made available to the Directors for all meetings. The Board has also approved proposal(s) through circulation in case of urgency.

The details of the attendance of Directors at Board meetings held during the financial year 2025-2026 and at the last AGM held on July 29, 2025, are as follows:

Name of the Director	No. of Board Meetings held during the tenure of the Director	No. of Board Meetings Attended	Whether attended last AGM
Mr. Suramya Nevatia	8	8	Yes
Mrs. Akshada Nevatia	8	8	Yes
Mr. Parimal Merchant	8	8	Yes
Mr. Vandan Shah	8	6	Yes
Mrs. Ashlesha Bodas	8	6	Yes
Mr. Vishal Pacheriwala	8	7	Yes

The details as on March 31, 2026, regarding the composition of the Board, categories of Directors, shareholding of Directors, number of directorships held in other companies, and membership/chairmanship of committees in other companies are provided below:

Particulars of Directors	Directorship in other Listed Companies and Category of Directorship	No. of Directorships in other Indian Companies excluding Hind Rectifiers Limited		No. of Board Committee positions in other Indian Public Companies excluding Hind Rectifiers Limited (2)		Shareholding in the Company as on March 31, 2026
		Public	Private(1)	Membership(3)	Chairmanship	
Mr. Suramya Nevatia, Chairman & Managing Director, Promoter Director (DIN: 06703910)	N.A.	0	3	0	0	51,49,536
Mrs. Akshada Nevatia(4), Executive Director, Member of Promoter Group,(DIN: 05357438)	N.A.	0	3	0	0	11,700
Mr. Parimal Merchant, Non-executive Director (DIN: 00201962)	N.A.	0	3	0	0	Nil
Mr. Vandan Shah(5), Independent Director (DIN: 00759570)	1	1	2	1	0	1,01,310
Mrs. Ashlesha Bodas(5), Independent Director (DIN: 00935512)	N.A.	0	10	0	0	Nil
Mr. Vishal Pacheriwala, Independent Director (DIN: 07244575)	N.A.	0	6	0	0	Nil

Note:

1. *Directorships include those in companies registered under the Companies Act, 2013 or any previous enactments thereof, and exclude directorships in companies registered under Section 8 of the Companies Act, 2013 and in foreign companies.*
2. *Only memberships and chairpersonships of the Audit Committee and the Stakeholders Relationship Committee of public limited companies have been considered.*
3. *In the committee details provided, each chairmanship has also been counted as a membership.*
4. *Re-appointed as the Whole-time Director designated as an Executive Director for a period of three years with effect from January 15, 2026.*
5. *Mrs. Ashlesha Bodas and Mr. Vandan Shah were re-appointed as Independent Directors of the Company for a second term of 5 (Five) years with effect from June 26, 2025 and February 10, 2026, respectively, pursuant to approval of the Board on May 05, 2025 and the shareholders of the Company at its AGM held on July 29, 2025.*

Details of Directorships held by Directors of the Company in other listed entities as on March 31, 2026, are given below:

Name of the Director	Directorship in other listed companies	Category of Directorship
Mr. Suramya Nevatia	NIL	N.A.
Mrs. Akshada Nevatia	NIL	N.A.
Mr. Parimal Merchant	NIL	N.A.
Mr. Vandan Shah	1 (Indef Manufacturing Limited)	Non-Executive - Non-Independent Director
Mrs. Ashlesha Bodas	NIL	N.A.
Mr. Vishal Pacheriwala	NIL	N.A.

Skills/expertise/competence of the Board

In terms of the SEBI Listing Regulations, the Board of Directors has identified the following core skills/expertise/competencies as required in the context of the Company's business and sector for it to function effectively.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of Director	Area of skills/expertise/competence					
	Business Leadership	Financial Expertise	Risk Management	Corporate Governance	Global Experience	Industry & Sector Experience
Mr. Suramya Nevatia	✓	✓	✓	✓	✓	✓
Mrs. Akshada Nevatia	✓	✓	✓	✓	✓	✓
Mr. Parimal Merchant	✓	✓	✓	✓	✓	✓
Mr. Vandan Shah	✓	✓	✓	✓	✓	✓
Mrs. Ashlesha Bodas	✓	✓	✓	✓	-	-
Mr. Vishal Pacheriwala	✓	✓	✓	✓	✓	-

The profiles and areas of expertise of all the Directors of the Company are available on the Company's website at https://hirect.com/director-profile/.

Accordingly, the Company maintains a balanced composition of Executive and Non-Executive Directors, ensuring the appropriate level of independence, effective functioning, and sound decision-making.

None of the Directors on the Board are members of more than ten committees or chairman of more than five committees (being Audit Committee and Stakeholders Relationship Committee, as per Regulations 26(1) of the SEBI Listing Regulations) across all the companies in which they are directors. Necessary disclosures regarding committee positions in other public companies as on March 31, 2026 have been made by the Directors. None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors of the Company serves as Independent Director in more than seven listed companies and where any Independent Director is serving as whole-time director in any listed company, such Director is not serving as Independent Director in more than three listed companies. All Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. The Chairman & Managing Director does not serve as an Independent Director in any listed company.

The Company does not have any pecuniary relationship with any Non-Executive & Independent Director.

Role of Independent Directors

The Independent Directors play an essential role in bringing balance to the Board's processes. Their independent judgment is crucial on a range of issues including strategy, performance, resource allocation, standards of conduct and safety. Moreover, they contribute valuable insights and inputs that enhance the Board's decision-making capabilities.

Independent Directors of the Company are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act read with the applicable rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation that exists, or is reasonably anticipated, which could impair or impact their ability to discharge their duties with an objective independent judgment. Furthermore, pursuant to Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have confirmed their enrolment in the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs.

Further, none of the Independent Directors serve as Non-Independent Director of any company on the Board of which any of the Non-Independent Director is an Independent Director.

All Independent Directors have submitted declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors satisfy the conditions of independence as specified under the said provisions and are independent of the management. The terms and conditions of appointment or re-appointment of Independent Directors, as stipulated under the Act and the SEBI Listing Regulations, have been issued and are available on the Company's website at https://hirect.com/policies/.

Based on such confirmations, in the opinion of the Board, all Independent Directors of the Company fulfill the conditions specified under the Act and the SEBI Listing Regulations and are independent of the management of the Company.

MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors of the Company met on May 05, 2025, without the presence of Non-Independent Directors and members of the management.

The Independent Directors expressed high satisfaction with the overall functioning of the Board and its various Committees, noting a strong level of commitment and engagement. They also commended the exemplary leadership of the Chairman of the Board and its Committees in upholding and adhering to the highest standards and values of corporate governance.

The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors and the Board as a whole, assessed the performance of the Chairman of the Board, Managing Director, taking into account the views of both Executive and Non-Executive Directors and discussed various aspects including the quality, quantity, and timeliness of information flow between the Company, Management, and the Board, as well as leadership strengths and weaknesses, governance, compliance, and succession planning.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has conducted an annual performance evaluation of its own functioning, the Chairman, individual Directors, and the working of its committees.

The evaluation of Independent Directors is conducted by the entire Board and includes an assessment of their fulfilment of the independence criteria as specified under the Act and SEBI Listing Regulations, as well as their independence from the management.

The performance evaluation was conducted through a structured questionnaire, discussions, and a comprehensive assessment process. The Directors expressed satisfaction with the evaluation process and were highly satisfied with the performance of the Chairman, the Board as a whole, the Committees, and the flow of information.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

The Nomination and Remuneration Committee has established criteria for evaluating the performance of the Chairman, the Board, Board Committees, Executive, Non-Executive, and Independent Directors. These criteria encompass parameters such as attendance, familiarity with the business, communication among Board members, effective participation, domain knowledge and competency, compliance with the Code of Conduct, vision and strategy, integrity and confidentiality maintenance, independence of behaviour and judgment, initiatives, leadership, and adherence to corporate governance practices. The criteria are designed in compliance with applicable laws, regulations, and guidelines.

RELATIONSHIP BETWEEN DIRECTORS

There are no inter-se relationships among the Board members, except that Mr. Suramya Nevatia and Mrs. Akshada Nevatia are related to each other. None of the Independent Directors is related to each other, or to the Non-Independent Directors.

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information available with the Company. All Board meetings are conducted based on a structured agenda supported by comprehensive background information. During the year under review, information, including but not limited to that specified in Part A of Schedule II of the SEBI Listing Regulations, was presented to the Board for its consideration. The Board is routinely provided with all information required under the SEBI Regulations and the Act, whenever applicable and materially significant. Additionally, the Board periodically reviews compliance reports relating to all laws applicable to the Company.

The Board of Directors are provided information relating to the Company, which inter alia includes annual revenue budgets and capital expenditure plans, quarterly results, financing plans of the Company, Minutes of meetings of Board of Directors and various Committees of the Board, status of compliances of all applicable laws.

POST-MEETING MECHANISM

Key decisions taken at the Board and Board Committee meetings are promptly communicated to the respective departments and divisions concerned.

REPORT ON CORPORATE GOVERNANCE (Contd.)

BOARD SUPPORT

The Company Secretary attends the Board and Committee meetings and advises to the Board on compliance and governance matters.

FAMILIARIZATION PROGRAMME

At the time of appointing a Director, the Company issues a formal letter of appointment outlining the role, functions, duties, responsibilities, disclosure requirements, and confidentiality obligations expected of the Director. The appointee is also provided with detailed explanations of the compliance requirements under the Act, SEBI Listing Regulations, and other applicable laws and regulations. To familiarize the newly appointed Director with the Company's operations, the Chairman & Managing Director and Executive Director engage in a personal discussion with the Director. They also brief the Director on key Company policies and codes, including the Code of Conduct for Board members and the Code of Conduct for regulating, monitoring, and reporting trading activities by designated persons.

All Board members of the Company are provided ample opportunities to familiarize themselves with the Company, its management, operations, and, importantly, the industry landscape and related issues. They engage with senior management personnel and are proactively supplied with relevant news, insights, and updates concerning the Company and the sector.

At various Board meetings during the year, quarterly information is presented on operations, covering business performance, ongoing projects, financial parameters, working capital management, fund flows, regulatory changes, and related matters.

The Directors of the Company are updated on changes/developments in the markets and industry scenario through presentations made at Board, Committee meetings and interactions with senior Company personnel.

The above initiatives assist Directors in gaining a comprehensive understanding of the Company, its business, and the regulatory environment in which it operates, thereby enabling them to effectively fulfil their roles. Details of the familiarization program provided to the Independent Directors are available on the Company's website at https://hirect.com/policies/.

CONFLICT OF INTERESTS

Each Director informs the Company annually about the Board and Committee positions they hold in other companies, including Chairmanships, and promptly notifies the Company of any changes during the year. While discharging their duties, the Board members avoid conflicts of interest in the decision-making process and abstain from discussions and voting on matters in which they have any concerns or interests.

INSIDER TRADING CODE

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, and the Policy for Inquiry in Case of Leak or Suspected Leak of Unpublished Price Sensitive Information. These codes and policies are available on the Company's website at https://hirect.com/policies/.

Mr. Suhas Pawar, Company Secretary, is designated as the 'Compliance Officer' in terms of the the SEBI (Prohibition of Insider Trading) Regulations, 2015 due to resignation of Mrs. Megha Singh Shekhawat as the Interim Company Secretary and Compliance Officer of the Company.

COMMITTEES OF THE BOARD

For better corporate governance, to promote transparency, and to enhance the credibility of the Company's financial disclosures, the Board has constituted various committees in compliance with the requirements of the SEBI Listing Regulations and the Act. Details of the Board's committees and other related information are provided below:

AUDIT COMMITTEE

The Audit Committee comprises 4 (Four) Directors, with a majority being Independent Directors. All members of the Audit Committee are financially literate and possess financial management expertise by virtue of their experience and background. The CEO of the Nashik Plant, the Chief Financial Officer and the Chief Executive Officer of the Company are permanent invitees to the meetings of the Audit Committee. Additionally, the Statutory Auditors, Internal Auditors, and Cost Auditors are invited to participate in the meetings. The Company Secretary acts as the Secretary to the Audit Committee, while the Chief Financial Officer supports the Committee in discharging its responsibilities.

The Chairman of the Audit Committee was present at the previous Annual General Meeting held on July 29, 2025 to answer shareholders' queries.

During the year under review, the Audit Committee met 7 (Seven) times during the year i.e. on May 05, 2025, July 29, 2025, October 10, 2025, November 06, 2025, January 30, 2026, February 11, 2026 and March 13, 2026. The maximum gap between any two meetings was less than one hundred and twenty days.

The composition of the Audit Committee and the attendance of its members at the meetings held during the financial year 2025-2026 are given below.

Name of Committee Members	Category of Directorship	Number of Meeting attended
Mr. Vandan Shah, Chairman	Independent Director	5/7
Mr. Parimal Merchant	Non-Executive Director	7/7
Mr. Vishal Pacheriwala	Independent Director	6/7
Mrs. Ashlesha Bodas	Independent Director	5/7

The role and terms of reference of the Audit Committee, specified by the Board, are in conformity with the requirements of Section 177 of the Act and Part C of Schedule II of the SEBI Listing Regulations. The Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the financial reporting process, internal financial controls, and risk management systems. It ensures accurate and timely disclosures while maintaining the highest levels of transparency, integrity, and quality in financial reporting. The Committee reviews the annual financial statements and the auditors' reports thereon with the management before these are submitted to the Board for approval.

The Committee oversees the financial reporting process carried out by the Management, internal auditors, statutory auditors, and cost auditors. It ensures the effectiveness and independence of the internal audit function, which provides assurance on the adequacy and operation of internal controls and processes designed to safeguard the Company's assets, promote efficient use of resources, and ensure timely and accurate recording of all transactions. The Committee discusses key observations related to the financial statements with the Statutory Auditor for the relevant period and serves as an independent channel of communication for both internal and statutory auditors.

Additionally, the Committee reviews various processes and controls, including compliance with laws, the Insider Trading Code, and the Whistle Blower Policy. It evaluates the Management's discussion and analysis of the Company's financial condition and operational results. The Committee also recommends the appointment of cost, internal and secretarial auditors, reviews and recommends audit fees, and reviews and approves related party transactions, granting omnibus approvals as needed. Furthermore, it takes note of disclosures made by promoters under Regulation 31(5) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

To carry out its responsibilities efficiently and transparently, the Committee relies on the financial expertise of the Management, as well as that of the internal and statutory auditors. While the Management is responsible for the Company's internal control over financial reporting and the overall financial reporting process, the statutory auditors are tasked with performing an independent audit of the Company's financial statements in accordance with the applicable legal framework.

NOMINATION AND REMUNERATION COMMITTEE

The powers, role, charter, and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, besides other terms as referred by the Board.

The purpose of the Nomination and Remuneration Committee is to oversee the Company's nomination process, including succession planning for senior management and the Board, as well as the performance evaluation of the Board and its Committees. Specifically, it assists the Board in identifying, screening, and reviewing individuals qualified to serve as Executive Directors and Non-Executive Directors, and in determining the roles and capabilities required for Independent Directors.

The Nomination and Remuneration Committee holds the overall responsibility for approving and evaluating the compensation plans for Executive Directors and Senior Management. It reviews and recommends to the Board for approval of salary, incentives, compensation, and other benefits for the Executive Directors and Senior Management.

The Committee also functions as the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, for the HIRECT Employees Stock Option Plan-2018 (ESOP 2018). Additionally, the Committee evaluates the performance of the Board and reviews the implementation and compliance of such evaluations.

The Nomination and Remuneration Committee met 5 (Five) times during the year i.e. on May 05, 2025 July 29, 2025, October 10, 2025, January 30, 2026 and February 11, 2026. The Chairman of the Nomination and Remuneration Committee was present at the previous Annual General Meeting held on July 29, 2025 to answer shareholders' queries.

The composition of the Committee and the attendance of its members at the meetings held during the financial year 2025-2026 are provided below:

Name of Committee Members	Category of Directorship	Number of Meeting attended
Mr. Vandan Shah, Chairman	Independent Director	3/5
Mr. Parimal Merchant	Non-Executive Director	5/5
Mr. Vishal Pacheriwala	Independent Director	4/5

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

NOMINATION AND REMUNERATION POLICY

The policy lays down a framework regarding the remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management Personnel of the Company. Its key objectives are to guide the Board in relation to the appointment and removal of Directors, KMP, and Senior Management Personnel and to recommend to the Board the remuneration payable to the Directors, KMP, and Senior Management Personnel, among other related matters.

This policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain, and motivate employees to achieve results. Remuneration is paid by way of salary, benefits, perquisites, allowances, incentives, etc. The Committee evaluates and approves the adequacy of the compensation plans, policies, programs, and succession plans. This includes identifying persons to be appointed to positions of KMP and Senior Management in accordance with the established criteria and recommending their appointment and removal to the Board.

The Nomination and Remuneration Committee has formulated a Remuneration Policy for Directors, KMPs, and other employees of the Company. The policy is available on the Company's website at https://hirect.com/policies/.

REMUNERATION OF DIRECTORS

The appointment and remuneration of Directors are governed by the recommendations of the Nomination and Remuneration Committee, as well as resolutions passed by the Board of Directors and, if required, by the shareholders of the Company.

The remuneration of the Chairman & Managing Director and the Executive Director comprises salary, perquisites, allowances, contributions to provident fund, retirement benefit funds, incentives, and other benefits, as approved by the shareholders at the General Meetings. Increments are decided by the Nomination and Remuneration Committee and recommended to the Board for approval in accordance with the applicable legal framework.

Non-Executive Directors do not receive any remuneration from the Company except for sitting fees for attending meetings of the Board and its Committees. They are paid a sitting fee of Rupees Fifty Thousand for each meeting of the Board and the Audit Committee and Rupees Twenty-Five Thousand for each meeting of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The Board regularly reviews the performance of the Independent Directors. Additionally, the criteria for making payments to Non-Executive Directors are available on the Company's website at https://hirect.com/policies/.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The details of the remuneration/sitting fees paid to the Directors of the Company during the financial year 2025-2026 are as under:

(₹ in millions)

Name of the Director	Salary	Benefits	Bonus/ Commission/ Stock Options	Sitting Fees	Total
Mr. Suramya Nevatia^	5.08	43.78	-	-	**48.86**
Mrs. Akshada Nevatia^	3.60	27.52	-	-	**31.12**
Mr. Parimal Merchant	-	-	-	0.58	**0.58**
Mr. Vandan Shah	-	-	-	0.40	**0.40**
Mrs. Ashlesha Bodas	-	-	-	0.25	**0.25**
Mr. Vishal Pacheriwala	-	-	-	0.45	**0.45**

^The remuneration includes incentives. The performance-linked incentive-based remuneration, as approved by the members through postal ballot dated March 29, 2025, is payable based on the profit before tax for each financial year.

Note:

1. *Mr. Suramya Nevatia and Mrs. Akshada Nevatia are entitled to receive remuneration comprising salary, perquisites, incentives, benefits, etc., in accordance with the applicable provisions of the Act and SEBI Listing Regulations, and as approved by the shareholders.*
2. *The notice period for Managing Director and Executive Director is three months, and there is no provision for payment of severance fees.*
3. *The sitting fee mentioned above also includes payments made for attending meetings of the Board-level Committees.*

In accordance with the SEBI Listing Regulations, no employee, including any KMP, Director, or Promoter of a listed Company, shall enter into any agreement, either for himself or on behalf of any other person, with any shareholder or any other third party, regarding compensation or profit-sharing in connection with dealings in the shares of the Company, unless prior approval has been obtained from the Board of Directors and the members of the Company by way of an ordinary resolution. No such instances were reported during the reporting period.

A brief profile and other relevant particulars of the Directors seeking appointment/re-appointment are provided in the Notice convening the 68th Annual General Meeting and form part of this Report. The Board has also adopted a Policy on Board Diversity to ensure an appropriate mix of skills, experience, and diversity among its members. The said policy is available on the Company's website at https://hirect.com/policies/.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The role, responsibilities, constitution, and broad terms of reference of the Stakeholders Relationship Committee (SRC) of the Company are in accordance with the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act.

The Committee has been constituted to strengthen investor relations and, inter-alia, resolve the grievances of security holders including complaints related to the non-receipt of annual reports, non-receipt of declared dividends, issues concerning de-materialization, and matters related to general meetings. It also reviews the measures taken for the effective exercise of voting rights by shareholders, the various services rendered by the Registrar to an Issue and Share Transfer Agent (RTA), and the initiatives undertaken by the Company to reduce the quantum of unclaimed dividends. Furthermore, the Committee ensures the timely receipt of dividends, annual reports, and statutory notices by the shareholders, and addresses matters related to the Investor Education and Protection Fund (IEPF).

The Stakeholders Relationship Committee comprises 3 (Three) Directors. On account of resignation of Mrs. Megha Singh Shekhawat, Mr. Suhas Pawar was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. May 16, 2026. The Board has also appointed Mr. Anil Kumar Nemani, the Chief Financial Officer as the Nodal Officer to ensure compliance with the Investor Education and Protection Fund (IEPF) Rules. His contact details are as follows:

Address: Hind Rectifiers Limited, Lake Road, Bhandup West, Mumbai – 400078, Maharashtra

Phone: 022-49601775 **Email ID:** investors@hirect.com

The Company has designated the e-mail ID investors@hirect.com exclusively for the purpose of registering complaints by investors. This e-mail ID is available on the Company's website at https://hirect.com/shareholder-enquiries/, along with the contact details of the Nodal Officer and the the RTA.

The Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company held on July 29, 2025. The following table presents the nature of complaints received from shareholders during the financial year 2025-2026.

Nature of complaints	No. of complaints received during the year under review	No of complaints resolved during the year under review
Non-receipt of Dividend	Nil	Nil
Non-receipt of Annual Report	Nil	Nil
Non-receipt of Share Certificate	Nil	Nil
Other*	2	3

**One complaint received in the previous financial year was resolved during the year. As on March 31, 2026, no complaint remained pending.*

There were no complaints that were not resolved to the satisfaction of shareholders during the reporting period.

The above table includes complaints received through SEBI SCORES.

The SRC examines and redresses complaints from shareholders and investors, with the status of these complaints regularly reported to the entire Board. The Committee meets twice in a financial year to review shareholder grievances.

The SRC met two times during the financial year 2025-2026, on May 05, 2025 and November 06, 2025. The composition of the Committee and the attendance of its members at these meetings are provided below:

Name of Committee Members	Category of Directorship	Number of Meeting attended
Mr. Parimal Merchant, Chairman	Non-Executive Director	2/2
Mr. Suramya Nevatia	Executive Director	2/2
Mr. Vishal Pacheriwala	Independent Director	1/2

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company had previously dissolved the Corporate Social Responsibility (CSR) Committee effective from June 11, 2021, as the prescribed CSR expenditure did not exceed ₹ 50 lakhs, and the functions of the Committee were being performed by the Board of Directors. Subsequently, during the year under review, the CSR Committee was reconstituted by the Board at its meeting held on May 05, 2025 comprising of Mr. Vishal Pacheriwala, the Chairman of the Committee and Mr. Suramya Nevatia, and Mrs. Akshada Nevatia as the Members of the Committee.

The constitution and broad terms of reference of the CSR Committee of the Company are in accordance with the provisions of the Act. The composition of the CSR Committee has been established pursuant to the requirements of Section 135 of the Act, and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the year under review, the CSR Committee met 1(one) time on July 29, 2025 and it was attended by all the members of the Committee.

Details of the Company's CSR spending are provided in **Annexure E** to the Board's Report, titled Annual Report on CSR Activities. The Company has formulated a CSR Policy, which is available on the Company's website at https://hirect.com/policies/.

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

AGM	Financial Year	Date	Time	Venue
65th AGM	2022-2023	August 23, 2023	11:00 am (IST)	The meetings were held through video conferencing (VC)/other audio-visual means (OAVM) pursuant to the Ministry of Corporate Affairs (MCA) Circulars
66th AGM	2023-2024	August 01, 2024	12:30 pm (IST)	
67th AGM	2024-2025	July 29, 2025	01:00 pm (IST)	

Details of special resolutions passed in the last three Annual General Meetings are as under:

Sr. No.	Subject matter of the Special Resolutions
	65th AGM
1.	Re-appointment of Mr. Suramya Nevatia as a Managing Director & CEO (KMP) and approval of remuneration
2.	Approval of payment of Managerial Remuneration to Mr. Suramya Nevatia, Managing Director & CEO (KMP)
3.	Approval of payment of Managerial Remuneration to Mrs. Akshada Nevatia, Executive Director
	66th AGM
1.	Appointment of Mr. Vishal Pacheriwala as an Independent Director of the Company
	67th AGM
1.	Re-appointment of Mrs. Ashlesha Bodas (DIN:00935512) as an Independent Director of the Company
2.	Re-appointment of Mr. Vandan Shah (DIN: 00759570) as an Independent Director of the Company
3.	Re-appointment of Mrs. Akshada Nevatia (DIN:05357438) as an Executive Director and Approval of remuneration

No extraordinary general meeting of the members was held during the financial year 2025-2026.

Postal Ballot

During the year under review, the Company passed the following special resolutions through postal ballot by way of e-voting.

Date of postal ballot notice	Resolution passed	Approval date	Scrutinizer	Link for postal ballot notice and results
July 29, 2025	To consider and approve issue of equity warrants on preferential basis to certain identified persons and other matters related thereto	August 29, 2025	Mr. Mahesh Soni, GMJ & Associates (Membership No. FCS 3706) (CP No. 2324) Practicing Company Secretaries	**Notice:** https://hirect.com/wp-content/uploads/2025/08/Final_Postal_Ballot_Notice_29-07-2025_Revised.pdf **Results:** https://hirect.com/wp-content/uploads/2025/08/HirectPostalBallotVotingresults.pdf
February 11, 2026	Approval for the issuance of bonus share	March 19, 2026	Mr. Mahesh Soni, GMJ & Associates (Membership No. FCS 3706) (CP No. 2324) Practicing Company Secretaries	**Notice:** https://hirect.com/wp-content/uploads/2026/02/Postal-Ballot-Notice.pdf **Results:** https://hirect.com/wp-content/uploads/2026/05/Bonus-issue-scrutinizer-report.pdf

The Postal Ballot process was conducted in accordance with the provisions of Sections 108 and 110 of the Act, read with the applicable Rules framed thereunder, and in compliance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (SEBI) from time to time. For the purpose of facilitating remote e-voting, the Company had engaged the services of National Securities Depository Limited (NSDL), which enabled the Members to cast their votes electronically in a secure and efficient manner.

No Special Resolution is currently proposed to be passed through postal ballot.

MEANS OF COMMUNICATION

The unaudited quarterly and half-yearly financial results are announced within forty-five days from the end of the respective quarter, and the audited annual financial results are announced within sixty days from the close of the financial year, in compliance with the requirements of the SEBI Listing Regulations. The financial results, upon approval by the Board, are promptly submitted to the Stock Exchanges and published within forty-eight hours in the Free Press Journal, The Economic Times, ET Markets, Business Standard (English newspapers), and Navshakti & Mumbai Lakshadeep (local language -Marathi newspaper). Notices relating to the Annual General Meeting and postal ballot are published in Business Standard (English) and Mumbai Lakshdeep (local language - Marathi) in the prescribed time. The financial results are made available on the Company's website at https://hirect.com/financials-annual-reports/.

The Company participates in various investor conferences and analyst meets and makes presentation thereat. Press Releases, Investors presentations are submitted to the Stock Exchanges as well as are hosted on the website of the Company at https://hirect.com/financials-annual-reports/.

The quarterly financial results, shareholding pattern, periodical compliances, and other corporate communications are filed electronically with the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited. The Company has complied with the submission requirements through BSE's Listing Centre and NSE's NEAPS portal for electronic filing of such information.

A dedicated section on the Company's website provides information related to unclaimed dividends, annual reports, financial statements, and other relevant disclosures of interest to investors and the general public.

SEBI processes investor complaints through a centralized web-based complaints redressal system known as SCORES (SEBI Complaints Redress System). This platform enables shareholders to lodge their grievances against a listed Company online. The Company is required to upload the action taken on the complaint, which can be viewed by the concerned shareholder. Both the Company and shareholders can seek and provide clarifications electronically through the SCORES system, thereby facilitating prompt and transparent resolution of investor complaints.

The Company facilitates ongoing dialogue with its internal stakeholders through various communication channels, including employee satisfaction surveys, engagement activities aimed at enhancing employee involvement, appreciation circulars and messages from the management, as well as corporate social and employee welfare initiatives. Additionally, the Company ensures timely communication through online updates on topical developments, provides helpdesk facilities for addressing queries, and promotes health and safety through health checkups and professional counselling support for employees.

NOMINATION

Pursuant to the provisions of Section 72 of the Act, 2013, Members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and wishing to make or change their nomination may submit their requests using Form No. SH-13 to the RTA. Members holding shares in electronic form are advised to submit their nomination requests directly to their respective Depository Participants (DPs). Form No. SH-13 is available on RTA website at https://www.adroitcorporate.com/RandTServices.aspx or can be downloaded from the Company's website under the 'Investor Relations' section at https://hirect.com/shareholder-enquiries/.

KYC registration for holders of physical shares: All shareholders of the Company holding shares in physical form are requested to update their Mobile number, PAN, Address, Email ID, Bank account details (KYC details) and Nomination details with the Company's RTA at the earliest, in case the same are not updated. The relevant forms for updating the KYC information and Nomination details are provided on the website of the Company at https://hirect.com/shareholder-enquiries/.

Designated person for furnishing information and extending co-operation to Registrar of Companies (ROC) in respect of beneficial interest in shares of the Company: The Company Secretary & Compliance Officer of the Company is the designated person responsible for furnishing information and extending cooperation to the ROC in respect of beneficial interest in the Company's shares.

GENERAL SHAREHOLDER INFORMATION

Annual General Metting: The 68th Annual General Meeting (AGM) for the financial year 2025-2026 is scheduled to be held on Tuesday, August 11 at 1:00 pm (IST).

Financial Year

The Company follows April to March as its financial year. The financial results for each quarter have been declared within the timelines prescribed under the SEBI Listing Regulations. The calendar for declaration of financial results for the financial year 2026-2027 is as follows:

Financial Year 2026-2027	April 1, 2026 to March 31, 2027
Financial reporting for the quarter ended June 30, 2026	On or before August 14, 2026
Financial reporting for the quarter ended September 30, 2026	On or before November 14, 2026
Financial reporting for the quarter ended December 31, 2026	On or before February 14, 2027
Financial reporting for the year ended March 31, 2027	Audited Results on or before May 30, 2027

These dates are subject to change, and any revisions will be duly communicated to the stock exchanges and updated on the Company's website.

Dividend Payment Date

If the final dividend recommended by the Board of Directors is approved by the Members at the 68th Annual General Meeting scheduled for Tuesday, August 11, 2026, the payment of the dividend will be made within one week from the conclusion of the Annual General Meeting.

Listing on Stock Exchanges

The Company's equity shares are listed on BSE Limited and the National Stock Exchange of India Limited. The Company has duly paid the annual listing fees to both stock exchanges for the financial years 2025-2026 and 2026-2027. Additionally, custodial fees for the financial year 2025-2026 have been paid to the depositories, viz. CDSL and NSDL. The fees for the financial year 2026-2027 to NSDL and CDSL have been paid.

Name and address of Stock Exchanges

1. **BSE Limited**

   P.J. Towers, Dalal Street, Fort Mumbai – 400 001 Maharashtra, India. Tel: +022 6654 5695

2. **National Stock Exchange of India Limited**

   Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Maharashtra, India.
   Tel: +(022) 26598100-14 / 66418100

STOCK CODE/SYMBOL

BSE Limited: 504036
National Stock Exchange of India Limited: HIRECT
Demat ISIN: INE835D01023

The Company's shares have not been suspended from trading.

Registrar to an Issue and Share Transfer Agents

Adroit Corporate Services Private Limited
[Unit: Hind Rectifiers Limited]
19-20, Jafferbhoy Industrial Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (East), Mumbai – 400059 Maharashtra
Tel: +91 22 4227 0400 Fax: +91 22 28503748
Email: info@adroitcorporate.com
Website: www.adroitcorporate.com

Shareholders are advised that all investor-related activities are handled and processed at the office of the Company's RTA.

Share Transfer System

In accordance with Regulation 40(1) of the SEBI Listing Regulations, as amended, transfer (including transfer of shares under special window of lodgment open up to February 4, 2027), transmission and transposition of securities shall be effected only in dematerialized form. SEBI w.e.f. April 2, 2026, has dispensed with the requirement of Letter of Confirmation (LOC) and enabled direct credit of verified securities to investors' demat accounts. Apart from the necessary mandated documents, the following additional documents are to be submitted by the Shareholders/Claimants:

a) Form ISR-4;

b) Demat Conversion Request Form ("DCRF") - NSDL or Demat Request Form ("DRF") - CDSL, as provided by the Depositories;

c) Latest Client Master List ("CML") of the demat account in the same order of names, not older than two months and duly attested by the Depository Participant ("DP") where the demat account is held;

d) Signature of Beneficiary owner(s) of the demat account required to be attested by the DP on DCRF/DRF as applicable and CML.

In view of the above and to eliminate all risks associated with holding shares in physical form, as well as to avail the numerous benefits of dematerialization, Members are advised to dematerialize their physical shareholdings at the earliest. For any assistance in this regard, Members may contact the Company or its RTA.

SEBI, with effect from April 1, 2019, mandated that the transfer of shares of listed Companies shall be carried out only in dematerialized form, thereby barring physical transfers. However, shareholders are still permitted to hold shares in physical form. Shareholders holding shares in physical mode are requested to dematerialize their holdings at the earliest. Further, shareholders holding shares in dematerialized mode are advised to register their email address, bank account details, nomination details, and mobile number with their respective depository participants. Those holding shares in physical mode are requested to furnish their PAN, nomination, contact details, bank account details, and specimen signature for their respective folios. Shareholders may contact the Company's RTA at info@adroitcorporate.com or email the Company at investors@hirect.com for any assistance in this regard.

The Company has made available various shareholder-related details on its website at https://hirect.com/shareholder-enquiries/, where shareholders can access relevant information and updates.

Distribution of Shareholding as on March 31, 2026

No. of Equity Shares held	No. of Shareholders	No. of Shares held*	% of Equity Capital
1-100	18,436	8,63,904	2.51
101-500	2,975	14,21,422	4.14
501-1,000	582	8,81,906	2.57
1,001-2,000	360	10,71,750	3.12
2,001-3,000	122	6,31,342	1.84
3,001-4,000	58	4,17,944	1.22
4,001-5,000	31	2,83,268	0.82
5,001-10,000	74	10,19,184	2.97
10,001-20,000	37	10,92,806	3.18
20,001-50,000	14	9,57,484	3.73
50,001&Above	26	2,57,26,604	74.86
Total	**22,715**	**3,43,67,614**	**100.00**

**includes bonus shares allotted by the Company on March 30, 2026.*

Categories of equity shareholding as on March 31, 2026

Category	No. of shares held	% of Shareholding
Promoters and Promoter Group	1,50,97,712	43.93
Directors and their relatives	1,07,150	0.31
Banks/Financial Institutions	3,000	0.01
NBFCs registered with RBI	2,396	0.01
Qualified Institutional Buyer (QIB)	1,500	0.00
Foreign Portfolio Investors	21,94,148	6.38
Investor Education and Protection Fund	4,42,170	1.29
Non-Resident Indians	4,02,370	1.17
Resident Individuals & HUF	1,02,67,686	29.88
Key Managerial Personnel	15,000	0.04
Foreign Companies	24,00,000	6.98
Others	34,34,482*	9.99
Total	**3,43,67,614**	**100.00**

* Includes 24,00,000 bonus equity shares allotted to BTR Industries Ltd. on March 30, 2026, which are lying in the Demat Suspense Escrow Account in compliance with the Reg.294(6) of SEBI ICDR Regulations, 2018.

Shareholders holding more than 1% of the shares as on March 31, 2026

The details of public shareholders holding more than 1% of the equity share capital of the Company as on March 31, 2026, are as follows:

Name of Shareholder*	No. of Shares	% (percentage of holding)
Veena K Jagwani	3,44,000	1.00
Mukul Mahavir Agrawal	5,00,000	1.45
Niraj Bajaj	6,00,000	1.75
Habrok India Master LP	8,58,064	2.50
Cassini Partners L.P. Managed by Habrok	10,11,398	2.94
BTR Industries Ltd**	48,00,000	13.97

**Shareholding is consolidated based on the Permanent Account Number (PAN) of the shareholder.*

*** includes 24,00,000 bonus equity shares allotted on March 30, 2026, which are lying in the Demat Suspense Escrow Account in compliance with the Reg.294(6) of SEBI ICDR Regulations, 2018.*

DISCLOSURE RELATING TO UNCLAIMED SUSPENSE ACCOUNT

In accordance with the requirements of Regulation 34(3) and Part F of Schedule V of the SEBI Listing Regulations, the Company hereby reports the following details pertaining to equity shares lying in the suspense account.

Particulars	Number of Shareholders	Number of Equity Shares
The aggregate number of shareholders and outstanding shares in the suspense account at the beginning of the financial year 2025-2026	4	7,875
Less: Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the financial year 2025-2026	Nil	Nil
Less: Number of shares transferred to Investor Education and Protection Fund (IEPF) during the financial year 2025-2026	Nil	Nil
Add: Allotment of bonus shares (in the ratio of 1:1) during the financial year 2025-2026*	4	7,875
The aggregate number of shareholders and outstanding shares in the suspense account at the end of the financial year 2025-2026	4	15,750

**bonus shares allotted on March 30, 2026 were credited to Suspense Account in the first week of April, 2026.*

The voting rights attached to these shares will remain frozen until the rightful owner claims and reclaims them.

UNCLAIMED DIVIDEND/SHARES

Pursuant to the provisions of Section 124(5) of the Act, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer, then such unclaimed or unpaid dividend shall be transferred by the Company, along with any interest accrued, to the Investor Education and Protection Fund (IEPF), a fund established under sub-section (1) of Section 125 of the Act, 2013. The details of unclaimed/unpaid dividends are available on the website of the Company at https://hirect.com/shareholder-enquiries/.

DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company has executed an agreement with both the depositories of the Country i.e. National Securities Depository Limited and Central Depository Services (India) Limited for admission of its securities under dematerialized mode. The International Securities Identification Number allotted to the Equity Shares of the Company is INE835D01023. As on March 31, 2026, 1,46,58,650 equity shares, representing 42.65 % of the total equity share capital, were held in dematerialized form with NSDL and CDSL and 1,71,83,807 bonus equity shares allotted on March 30, 2026, representing 50.00% of the total equity share capital were in process of dematerialisation with NSDL and CDSL.

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE, AND LIKELY IMPACT ON EQUITY SHARES

The Company does not have any Global Depository Receipts (GDRs), American Depository Receipts (ADRs) or any other Convertible Instruments as on date.

During the year under review, the Company has raised ₹ 6.84 crore (being 25% of the total consideration) by way of preferential allotment of warrants and the same was pending for utilization at the end of financial year 2025-2026.

The said warrants are required to be converted into equity shares within 18 months from the date of allotment which shall expire as on February 28, 2027.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK

The details are disclosed in note no. 67 to the audited financial statements.

MANDATORY TRANSFER OF SHARES TO DEMAT ACCOUNT OF INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY (IEPFA) IN CASE OF UNPAID/UNCLAIMED DIVIDEND ON SHARES FOR A CONSECUTIVE PERIOD OF SEVEN YEARS

In terms of Section 124(6) of the Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016, as amended from time to time, shares on which the dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of the Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due for transfer. Upon transfer of such shares, all benefits (such as bonuses, etc.), if any, accruing on such shares shall also be credited to the said Demat Account, and the voting rights on such shares shall remain frozen until the rightful owner claims the shares.

The due dates for transfer of unclaimed/unpaid dividends to the Investor Education and Protection Fund (IEPF) are provided in the notes to the Notice of the Annual General Meeting. The corresponding shares on which dividends have remained unclaimed or unpaid for a consecutive period of seven years will become eligible for transfer to the IEPF on the respective dates mentioned therein.

In order to educate the shareholders and with an intent to protect their rights, the Company encourages shareholders to claim their unclaimed dividends/shares before they are transferred to the Investor Education and Protection Fund (IEPF). Shareholders may kindly note that both the unclaimed dividends and the corresponding shares, along with all benefits accruing thereon, once transferred to the IEPF, can only be claimed from the IEPF by following the prescribed procedure under the applicable Rules. No claim shall lie in respect thereof with the Company once such transfer is effected.

During the reporting period, the Company was not required to transfer any dividends to the Investor Education and Protection Fund (IEPF) as unclaimed for seven consecutive years, in accordance with the applicable Rules. However, the Company was in processing of transferring 2,21,085 bonus equity shares allotted on March 30, 2026 to the IEPF of those shareholders whose shares had been transferred to the IEPF by the Company.

During the year, the Company received applications from shareholders seeking to claim shares and dividends from the Investor Education and Protection Fund (IEPF).

The due dates for transfer of unclaimed/unpaid dividends to the Investor Education and Protection Fund (IEPF) are mentioned in the notes to the Notice of the 68th AGM, which forms part of this Annual Report.

Plant Locations

1. Plot No.110 & 111, M.I.D.C., Satpur, Nashik 422007 Maharashtra
2. Plot No. A-84, MIDC Malegaon, Sinnar, Nashik 422113 Maharashtra

ANNUAL REPORT AND ANNUAL GENERAL MEETING

The Annual Reports are emailed to Members and others entitled recipients. Additionally, the Annual Report is made available on the Company's website at https://hirect.com/financials-annual-reports/.

The Notice of the Annual General Meeting along with the Annual Report for the financial year 2025-2026 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Depositories. However, Members who wish to receive a physical copy of the Annual Report may write to the Company or email their request to investors@hirect.com, mentioning their Folio No./ DP ID and Client ID along with their holding details to enable the Company to dispatch the same.

A letter containing the weblink of the Annual Report for the financial year 2025-2026, will be sent to those shareholders whose email addresses are not registered with the Company/ RTA/Depository Participants.

WEBSITE

Comprehensive information about the Company, its business operations, and investor-related information is available on the Company's website at www.hirect.com. The "Investor" section is designed to keep investors informed by providing key and timely information such as financial results, annual reports, shareholding patterns, and other relevant updates.

Details of the utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the year under review, the Company has raised ₹ 6.84 crore (being 25% of the total consideration) by way of preferential allotment of warrants and the same was pending for utilization at the end of financial year 2025-2026.

Description of voting rights: All equity shares issued by the Company carry equal voting rights.

A certificate from a Company Secretary in practice has been obtained confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any other such statutory authority.

The certificate of Company Secretary in practice is annexed herewith as **Annexure F** forming part of the report.

Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year: None

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Details relating to fees paid to the Statutory Auditors are provided in note no. 40 to the financial statements.

Particulars of Senior Management

The particulars of senior management as per Regulation 16(1)(d) of the SEBI Listing Regulations are as follows:

Name	Designation
Anil Kumar Nemani	Chief Financial Officer
Manoj Nair^	Chief Executive Officer
Doughlas J. Bailey^^	Global Chief Executive Officer
Lalit Tejwani	Chief Strategy Officer
K. R. Narayanan	Chief Revenue Officer
Saurabh Nevatia	CEO Nashik Plant
Shailesh Jadhav	Vice President Operations
B Brahmananda Reddy	Vice President R&D
Meenakshi Anchlia*	Company Secretary & Compliance Officer
Megha Singh Shekhawat#	Company Secretary & Compliance Officer
Preeti Sharma	Head Legal
Esha Vidhani	Head Human Resources
Suhas Pawar&	Company Secretary & Compliance Officer

^appointed as Chief Executive Officer & KMP w.e.f. October 10, 2025.

^^appointed as Global Chief Executive Offieer w.e.f January 30, 2026.

**Resigned as Company Secretary & Compliance Officer w.e.f November 3, 2025.*

#appointed as Interim Company Secretary & Compliance Officer w.e.f January 30, 2026 and resigned on the close of business hours on May 16, 2026.

&appointed as Company Secretary & Compliance Officer w.e.f. May 16, 2026.

Agreements binding listed entities

Pursuant to the SEBI Listing Regulations, no agreement has been entered or executed by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company during the financial year.

There are no agreements affecting the management or control of the Company, nor are there any agreements imposing restrictions or creating liabilities on the Company.

Disclosures in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of the number of complaints filed, disposed of during the year, and those pending as of March 31, 2026, are provided in the Board's Report.

The Company has implemented a system to educate its employees on important regulations such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and SEBI Insider Trading Regulations through emails, presentations, and workshops.

Compliance Officer

Mr. Suhas Pawar, Company Secretary & Compliance Officer

Address for Correspondence

HIND RECTIFIERS LIMITED
Lake Road, Bhandup (West), Mumbai 400078
CIN: L28900MH1958PLC011077
E-mail: investors@hirect.com
Tel. No. +91 22 49601775

CREDIT RATING

The Company has obtained the following credit rating during the financial year 2025-2026.

Credit Rating issued by CRISIL on September 3, 2025

CRISIL Ratings has upgraded its ratings on the bank facilities of Hind Rectifiers Limited. The upgrade reflects the sustained improvement in the business risk profile of the Company driven by healthy demand as well as continuous product addition.

Details are as under:

Total bank loan facilities rated	₹ 228.9 crore (Enhanced from ₹150.05 crore)
Long-term rating	CRISIL BBB+/Stable (Upgraded from 'CRISIL BBB/Stable')
Short-term rating	CRISIL A2 (Upgraded from 'CRISIL A3+')

LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED

The Company has not given any loans and advances in the nature of loans to firms/Companies in which directors are interested.

COMPLIANCES WITH GOVERNANCE FRAMEWORK

The Company is in compliance with all mandatory requirements under the SEBI Listing Regulations.

Information related to Corporate Social Responsibility is detailed in the Board's Report, which forms an integral part of this report.

RELATED PARTY TRANSACTIONS

All related party transactions entered into by the Company were in the ordinary course of business and conducted on an arm's length basis. These transactions were duly approved by the Audit Committee.

Transactions with related parties are disclosed in note no. 66 to the Annual Audited Financial Statements. The material related-party transactions, as defined under the provisions of SEBI Listing Regulations and Section 188 of the Act, are detailed in Form AOC-2, which is annexed to the Board's Report.

The Board has approved a policy on related party transactions, which is available on the Company's website at https://hirect.com/policies/.

The Board has received disclosures from Key Managerial Personnel (KMPs) and Members of Senior Management regarding material, financial, and commercial transactions in which they and/or their relatives have a personal interest.

DETAILS OF NON-COMPLIANCE

There were no instances of non-compliance relating to the capital market during the last three financial years. No penalties or strictures were imposed on the Company by any Stock Exchange, SEBI or any other statutory authority in connection with capital market matters during the said period.

Further, there were no material regulatory orders passed against the Company during the financial year 2025-2026.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Company has in place a comprehensive Code of Conduct for its Board Members and Senior Management. The said Code is available on the Company's website at https://hirect.com/policies/. The Code is applicable to all Directors and members of the Senior Management. All members of the Board and Senior Management have affirmed compliance with the Code for the relevant period. A declaration to this effect by the Chairman & Managing Director is appended to this Report.

The Company upholds human rights, prohibits bribery and corruption, recognizes employees' freedom, and ensures the avoidance of conflicts of interest.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a mechanism for Directors and employees to report concerns regarding unethical behaviour, actual or suspected fraud, or violation of the Code. The mechanism provides adequate safeguards against the victimization of employees who avail themselves of it and permits direct access to the Chairperson of the Audit Committee in exceptional cases. The Whistle Blower Policy is available on the Company's website at https://hirect.com/policies/. It is affirmed that no personnel were denied access to the Chairperson of the Audit Committee.

SUBSIDIARY COMPANIES

The Audit Committee reviews the consolidated financial statements of the Company, including the investments made by its unlisted subsidiaries, if any. The minutes of the board meetings of unlisted subsidiary, along with reports on any significant developments, are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted subsidiary. The policy for identification and determination of 'material subsidiaries' is available on the Company's website at https://hirect.com/policies/.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Act.

NON-MANDATORY (DISCRETIONARY) REQUIREMENTS UNDER REGULATION 27 OF THE SEBI LISTING REGULATIONS

The status of compliance with the non-mandatory requirements of the SEBI Listing Regulations is provided below.

THE BOARD

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Company is headed by an Executive Chairman.

SHAREHOLDERS RIGHTS

The Company has not adopted the practice of sending a half-yearly declaration of financial performance to shareholders. However, the quarterly financial results, as approved by the Board, are submitted to the Stock Exchanges and are also made available on the Company's website.

MODIFIED OPINION(S) IN AUDIT REPORT

The auditor's report on financial statements of the Company is unmodified.

REPORTING OF INTERNAL AUDITORS

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed Internal Auditors who report to the Audit Committee. The Internal Auditors are invited to attend the meetings of the Audit Committee. The internal audit reports are placed before the Audit Committee on a quarterly basis. The Internal Auditors may, if necessary, report directly to the Audit Committee.

The Company has complied with the corporate governance requirements specified under Regulations 17 to 27 and the website disclosure requirements under Regulation 46(2) of the SEBI Listing Regulations.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As required by SEBI, a quarterly audit of the Company's share capital is conducted by a Practicing Company Secretary to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), and held in physical form, with the issued and listed capital. The audit report is submitted to BSE Limited and National Stock Exchange of India Limited on quarterly basis.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms a separate section and is annexed to this Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

SECRETARIAL AUDIT

In terms of the Companies Act, 2013, the Company appointed M/s GMJ & Associates, Practicing Company Secretaries (Peer Review Number: 6140/2024), to conduct the Secretarial Audit of the Company's records and documents for the the period of 5 years commencing from financial year 2025-2026. The Secretarial Audit Report is annexed to the Board's Report.

AUDITOR CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from its Statutory Auditors regarding compliance with the corporate governance provisions as laid down in the SEBI Listing Regulations, with the Stock Exchanges. The certificate contains no adverse remarks and is annexed to this Report.

MD / CEO / CFO CERTIFICATION

As required under the SEBI Listing Regulations, a certificate duly signed by Mr. Suramya Nevatia, Chairman & Managing Director, Mr. Manoj Nair, Chief Executive Officer and Mr. Anil Kumar Nemani, Chief Financial Officer have been obtained. The certificate is annexed to this report as **Annexure G**.

For and on behalf of the Board of Directors
Hind Rectifiers Limited

	Suramya Nevatia	**Parimal Merchant**
Place: Mumbai	Chairman & Managing Director	Director
Date: May 16, 2026	DIN: 06703910	DIN: 00201962

Declaration

I, Suramya Nevatia, Chairman & Managing Director of Hind Rectifiers Limited hereby confirm that:

The Board of Directors of Hind Rectifiers Limited has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company.

The said Code of Conduct is available on the Company's website viz. https://hirect.com/policies/.

All the Board members and Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the year ended on March 31, 2026.

For and on behalf of the Board of Directors
Hind Rectifiers Limited

	Suramya Nevatia
Place: Mumbai	Chairman & Managing Director
Date: May 16, 2026	DIN: 06703910

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF HIND RECTIFIERS LIMITED

We have examined the compliance of conditions of Corporate Governance by Hind Rectifiers Limited (hereinafter referred as 'the Company'), for the year ended March 31, 2026 as prescribed under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations"). This report is required by the Company for annual submission to the Stock Exchanges and to be sent to the Shareholders of the Company.

We state that compliance of conditions of corporate governance is the responsibility of the management including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Our examination was limited to a review of the procedures and implementations thereof, as adopted by the Company, for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that perform audits and reviews of historical financial information, and other assurance and related services engagements.

The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from the Directors including Independent Directors of the Company. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis.

In our opinion and to the best of our information and according to the explanation given to us and based on the representations made by the Directors and management and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Paras C,D and E of Schedule V of the Listing Regulations subject to the following.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency and effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purpose of complying with Listing Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For GMJ & Co.
Chartered Accountants
FRN: 103429W

CA Madhu Jain
Partner
M No.: 155537
UDIN: 261555 37BBLL TA9710

Place: Mumbai
Date: May 16, 2026

ANNEXURE 'F' TO THE CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (LODR) Regulations, 2015)

To,

HIND RECTIFIERS LIMITED

Lake Road,

Bhandup (West),

Mumbai – 400078.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hind Rectifiers Limited (CIN: L28900MH1958PLC011077)** and having registered office at Lake Road, Bhandup West, Mumbai – 400078 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para – C, Sub-clause 10(i) of the SEBI (LODR) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Parimal Merchant	00201962	07/02/2013
2.	Ashlesha Bodas	00935512	26/06/2020
3.	Akshada Nevatia	05357438	15/01/2017
4.	Vandan Sitaram Shah	00759570	15/01/2017
5.	Suramya Nevatia	06703910	17/08/2020
6.	Vishal Pradip Kumar Pacheriwala	07244575	28/05/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For GMJ & ASSOCIATES
Company Secretaries
ICSI Unique Code P2011MH023200

CS MAHESH SONI
PARTNER
Membership No: F3706
Certificate of Practice No.:2324
UDIN: F003706H000384196
Peer Review Certificate No.: 6140/2024

Date: May 16, 2026
Place: Mumbai

ANNEXURE 'G' TO THE CORPORATE GOVERNANCE REPORT

MD / CEO / CFO CERTIFICATION

To,
The Board of Directors,
Hind Rectifiers Limited,
Mumbai, Maharashtra.

Re: Compliance Certificate for the financial statements for the financial year 2025-2026

We, Suramya Nevatia, Chairman & Managing Director, Mr. Manoj Nair, Chief Executive Officer and Mr. Anil Kumar Nemani, Chief Financial Officer of Hind Rectifiers Limited, hereby certify that:

1. We have reviewed consolidated financial statements and the consolidated cash flow statement of Hind Rectifiers Limited for the year ended on March 31, 2026 and to the best of our knowledge and belief, we state that:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
   (i) significant changes, if any, in internal control over financial reporting during the year;
   (ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
   (iii) instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: May 16, 2026

Suramya Nevatia
Chairman & Managing Director

Manoj Nair
Chief Executive Officer

Anil Kumar Nemani
Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS

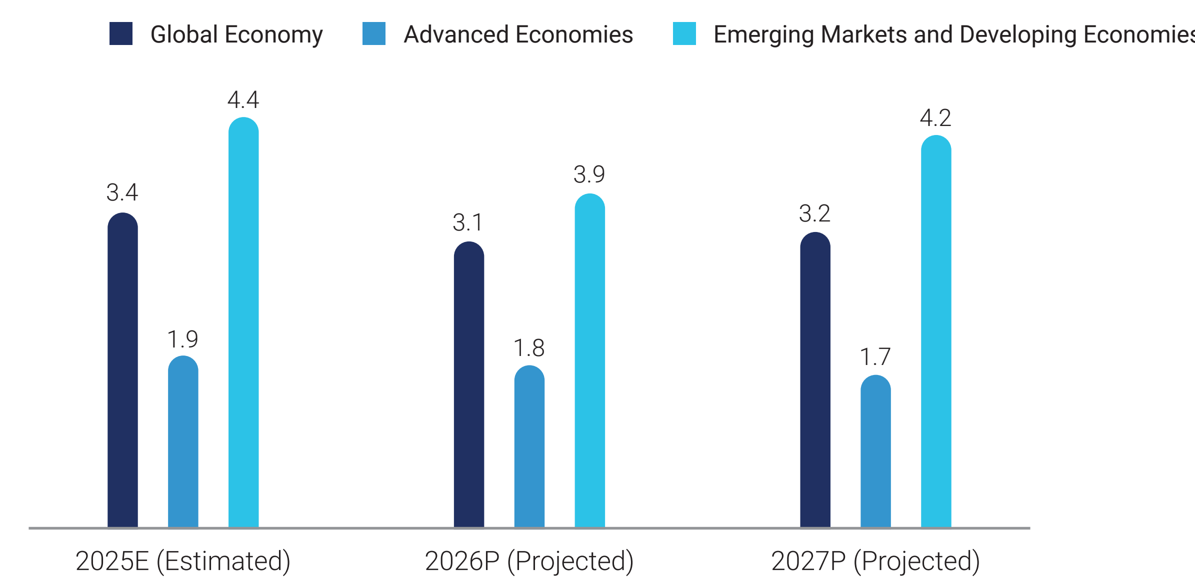
Global Economic Overview

Economic activity through CY 2025 and into early CY 2026 was underpinned by resilient consumer spending and the initial easing of inflationary pressures. This recovery, however, unfolded unevenly, shaped by rising geopolitical divisions, evolving trade dynamics, and heightened volatility in commodity markets. The intensification of tensions in the Middle East, coupled with reciprocal trade actions, disrupted the nascent recovery and reintroduced pressures on supply chains and input costs. Global headline inflation expectations have consequently been revised upward, with levels projected at 4.4% in 2026 before gradually easing thereafter. The IMF's World Economic Outlook reflects this altered landscape, forecasting a moderation in global growth to 3.1% in 2026, followed by a modest uptick to 3.2% in 2027.

Growth momentum in advanced economies is expected to remain subdued, weighed down by tighter fiscal conditions and gradually weakening labor markets. The United States is projected to expand by 2.3% in 2026, while Europe is likely to grow at a slower pace of 1.1%, constrained by persistently high natural gas prices and residual energy market disruptions.

Emerging Markets and Developing Economies (EMDEs) are set to remain the primary drivers of global expansion, though growth disparities are widening, particularly among highly leveraged economies. While countries such as China and Saudi Arabia are expected to experience moderated growth, India continues to distinguish itself as a high-growth outlier amid broader structural deceleration across major Asian economies.

Real GDP Growth Projections (in %)



(Sources: International Monetary Fund, World Economic Outlook Projections, April 2026), https://www.imf.org/en/Publications/WEO, https://www.imf.org/en/blogs/articles/2026/04/14/war-darkens-global-economic-outlook-and-reshapes-policy-priorities)

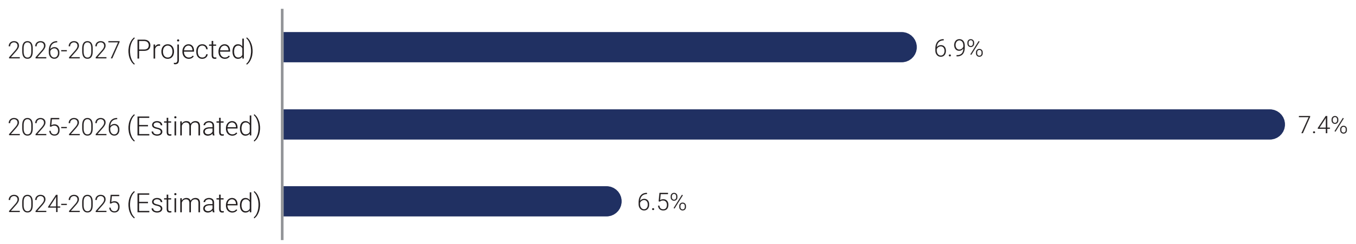
Indian Economic Overview

India continues to solidify its position as the primary engine of global economic growth, demonstrating remarkable resilience against broader global volatility. The country maintained strong growth momentum through 2025-2026, with GDP estimated at 7.4% in 2025-2026, supported by robust domestic demand, favorable demographics, and consistent policy backing, reaffirming its standing as the fastest-growing major economy globally.

Public capital expenditure remained a key stabilizing force within this growth story. The Union Budget 2026-27 earmarked ₹12.2 lakh crore for infrastructure investments, reinforcing the government's continued emphasis on sectors such as logistics, railways, defence manufacturing, and digital infrastructure. These investments are driving supply-side improvements, lowering logistics costs, and enhancing the competitiveness of domestic manufacturing across sectors.

The manufacturing sector added further momentum during the year, piggybacking on robust export demand, particularly in engineering goods and consumer products, as global supply chain realignments continue positioning India as an increasingly attractive manufacturing hub.

GDP Growth (%)



(Sources: https://mospi.gov.in/uploads/latestreleasesfiles/1767782498513-GDP%20Press%20Note%20on%20FAE%202025-26.pdf, https://timesofindia.indiatimes.com/business/india-business/rbi-keeps-rates-on-hold-forecasts-6-9-growth-for-27/articleshow/130103526.cms)

Indian Railway Sector Overview

As one of the largest rail networks on the planet, Indian Railways (IR) is integral to the nation's economic growth and connectivity. The network is currently undergoing a substantial modernization and capacity augmentation program, guided by the National Rail Plan (NRP) for 2030, a blueprint designed to create a future-ready railway system capable of meeting demand up to 2050, with a critical strategic focus on increasing the modal share of railway freight to 45%. The Union Budget 2026-2027 reinforced this momentum with a record capital expenditure allocation of ₹2.93 lakh crore to the rail sector, representing a fundamental reimagining of India's mobility backbone to meet the logistical demands of a rapidly expanding economy.

The sector's pursuit of 'Scope 1 Net Zero' emissions by 2025 and 'Scope 2 Net Zero' by 2030 has accelerated a decisive shift toward 100% route electrification and high-efficiency mobility solutions. The development of seven high-speed rail corridors, the nationwide rollout of semi-high-speed Vande Bharat trainsets, and massive investments in dedicated freight corridors are collectively strengthening India's transport capacity to rank among the top three global freight movers alongside China and the United States For specialized domestic equipment manufacturers, this scale and velocity of expansion creates a highly predictable, high-visibility demand environment that few sectors can match.

Government Initiatives for Railway Development

To achieve its dual mandate of exponential capacity growth and strict decarbonization, Indian Railways is channeling its substantial investments into flagship national initiatives. Supported by a historic capital expenditure allocation of ₹2.93 lakh crore in the Union Budget 2026-2027, with over ₹52,108 crore specifically earmarked for rolling stock, these strategic programs translate directly into a surging, multi-dimensional demand ecosystem for advanced power electronics:

High-Speed Rail Network Expansion

The landmark announcement of seven new high-speed rail corridors spanning nearly 4,000 kilometers, with an estimated investment of ₹16 lakh crore, represents a transformational growth frontier. With the government's strong emphasis on indigenous technology and self-reliance for these new routes, this massive infrastructure push directly expands the addressable market for our core products, including traction transformers, advanced propulsion systems, communication systems and trackside substation rectifiers required for high-speed operations.

100% Route Electrification

The aggressive national mission to electrify all broad-gauge routes is a cornerstone of India's target to achieve 'Net Zero' carbon emissions by 2030. With over 99.5% electrification of the broad-gauge network successfully achieved by early 2026, the focus has shifted toward modernization and high-density grid stability, driving massive, sustained demand for traction transformers and substation rectifiers.

Vande Bharat and Passenger Modernization

The rapid introduction of modern passenger trainsets requires localized, high-efficiency propulsion systems and advanced battery chargers. By December 2025, Indian Railways operationalized 164 Vande Bharat Chair Car services and launched the first 2 Vande Bharat Sleeper services. This momentum is set to accelerate significantly with the Ministry's stated goal of scaling the fleet to 800 Vande Bharat trainsets by 2030. Furthermore, the operationalization of 54 Amrit Bharat services and a mandate to manufacture 17,000 new coaches over the next five years present an unprecedented growth avenue.

Kavach (Train Collision Avoidance System)

Backed by a massive safety budget allocation of ₹1,20,389 crore for 2026-27, the mandate to rapidly deploy this indigenous automatic train protection system creates a critical need for robust and reliable electronic sub-assemblies. Trackside implementation of Kavach has already been commissioned on over 3,100 route kilometers with implementation underway on another 24,400 kilometers covering high-density networks.

Dedicated Freight Corridors and PM Gati Shakti

This initiative for multi-modal connectivity is accelerating the modernization of lineside power infrastructure. With the Eastern and Western Dedicated Freight Corridors (EDFC and WDFC) now facilitating 400 trains daily, and the budget announcement of a new 2,052 km East-West freight corridor linking Dankuni to Surat, there is a critical need for automated monitoring systems and robust power components to handle heavier freight hauls and ensure grid stability.

(Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2248001&reg=3&lang=2,
https://pragativadi.com/indian-railways-gets-rs-2-93-lakh-crore-boost-in-union-budget-2026-27/,
https://www.financialexpress.com/business/railways-vande-bharat-to-bullet-trains-how-a-rs-2-78-lakh-crore-budget-is-rebuilding-indian-railways-4209345/)

Company Overview

Hind Rectifiers Limited (also referred to as 'HIRECT' or 'the Company') was established in 1958 in technical collaboration with Westinghouse Brake & Signal Company Limited, of the United Kingdom, and has since grown into one of India's premier manufacturers of power electronics and railway transportation systems. The Company began its journey in Colaba, Mumbai, manufacturing small semiconductors and rectifiers, and over the following decades steadily built a comprehensive portfolio of complex electrical and electronic components. This expansion of capability has been matched by a corresponding growth in physical footprint, with advanced manufacturing facilities operating at Sinnar and Satpur in Nashik and an R&D Center in Bhandup, Mumbai with 200 engineers.

2025-2026 marked a shift from consolidation to scale and global capability building. The Company advanced its move up the value chain, strengthened operational self-reliance, and expanded its international presence. Evolving from a traditional component supplier into a deeply integrated power electronics enterprise, HIRECT is positioning itself for long-term growth across mobility, energy, and industrial sectors.

Transition to System-Level Solutions

Building on this foundation, HIRECT is steadily moving up the value chain to become a comprehensive system-level solutions provider, covering propulsion systems, brake systems, communication systems, HVAC, and advanced power electronics. This strategic shift allows the Company to capture a significantly larger share of the railway opportunity and maximize its revenue potential, even within a stable underlying market.

Propulsion Systems as a Core Growth Engine

A primary driver of this system-level expansion is the Company's entry into the propulsion systems segment. As a key milestone this year, field trials for the Company's indigenous propulsion system were officially conducted at Western Railway. The commercialization process is currently underway, and the Company has already secured initial orders for these systems valued at approximately ₹50 crore, establishing propulsion as a core growth engine going forward.

Backward Integration & Supply Chain Resilience

To support this expanded product portfolio and improve operational self-reliance, backward integration has been a key focus. To manage supply chain risks, we commissioned a copper conductor production facility at our Sinnar plant. This facility manufactures specialized copper conductors, including Continuously Transposed Conductors (CTC), Enameled Paper Insulated Copper Conductors (EPICC), and Paper Insulated Copper Conductors (PICC). In addition to copper conductors, we are investing in the in-house development of critical subsystems such as IGBT gate drivers, PCB assemblies, and power electronics. Together, these initiatives mitigate exposure to global supply chain volatility, ensure uninterrupted production, and are intended to improve cost efficiency and margin stability.

Expansion into International Markets

Complementing our domestic integration is our expansion into international markets through the acquisition of France-based Belink Solutions (now ELVENTIVE FRANCE SAS). Acquired debt-free, Belink brings established expertise in Electronic Manufacturing Services (EMS), including SMT lines, printed electronics, and robotics-led manufacturing. Beyond adding advanced manufacturing capabilities and access to defense and aerospace-certified markets, Belink provides a strategic European base. Moving forward, the facility will serve both as a local manufacturing and sales hub for the European market and as a launchpad for introducing HIRECT's products to a broader global customer base.

Breakthrough in International Railway Exports

Further validating our global capability building, this year marked a milestone for HIRECT in the international railway market. We successfully dispatched a traction transformer to Germany. Exporting railway equipment to highly regulated, developed markets enhances our global technological credibility and paves the way for broader international engagements, demonstrating the world-class quality of our engineering capabilities.

R&D Excellence

Alongside our manufacturing advancement, HIRECT's R&D operations spread across technology hubs in Mumbai and Hyderabad moved well beyond incremental product updates into a period of substantive innovations, with approximately 40 new products currently in advanced stages of development. Recognizing that the future of power electronics lies at the intersection of hardware and software, the Company is making a strategic ₹100 lakhs investment into its wholly owned subsidiary Coincade Studios Private Limited, equipping it to develop advanced predictive algorithms and digital twin capabilities for industrial systems. This investment ensures that HIRECT's hardware innovations are underpinned by equally advanced digital intelligence.

Product Portfolio

HIRECT's product strategy is anchored to one overarching direction: continuous value addition. The Company is strategically moving its operational focus away from standalone, commoditized components toward comprehensive, highly engineered, and deeply integrated sub-systems for the railways, defence, and heavy industrial sectors.

Railway Systems

The railway vertical, which currently contributes approximately 90% of the Company's revenue, is undergoing a significant and transformative transition. HIRECT is rapidly evolving from a traditional component supplier into a premier provider of complex, indigenously developed systems and is deeply embedded in the ongoing modernization of Indian Railways, the expansion of metro networks, and the development of emerging high-speed rail projects. The Company's portfolio represents the critical power and nervous system of modern rolling stock.

Traction Converters (Propulsion Systems)

The commercialization of indigenous propulsion systems is a primary strategic focus this year. After several months of preparation, official field trials for the 6,000 HP propulsion systems have commenced at Western Railway, involving a demanding 50,000-kilometer run expected to be completed within the next three to four months. Initial propulsion system orders valued at approximately ₹50 crore have already been secured. HIRECT is targeting further quantities from the forthcoming tenders to scale this business further. A development order has also been received for advanced propulsion systems (Composite Convertor) designed specifically for passenger locomotives.

Traction Transformers

HIRECT holds an undisputed position as the market leader in traction transformers, commanding a 40%+ market share. These systems step down 25 kV OHE into reliable onboard traction power, delivering up to 7,775 kVA for locomotives and 3,000 kVA for EMUs and trainsets. To protect margins and eliminate supply chain risks, the Company completed its backward integration project at the Sinnar plant and has already begun deploying in-house manufactured specialized copper conductors, including CTC, EPICC, and PICC, directly into the transformers supplied to Indian Railways. Supported by this operational efficiency, HIRECT's goal is to further scale up the production capacity.

Traction Motors

Engineered for extreme mechanical endurance and thermal stability, the Company's traction motors deliver massive torque and power outputs of up to 1,150 kW, capable of driving both heavy-haul freight trains and rapid-acceleration high-speed passenger EMUs.

Railway Vehicle Control Units (VCUs)

Functioning as the intelligent brain of the locomotive, the Company's VCUs feature redundant, multi-processor architectures that guarantee secure, real-time communication, fault logging, and seamless subsystem coordination across the entire trainset.

DC Substation Rectifiers

These systems provide DC power to railway and metro networks, with outputs up to 3,000 kW and 1,500 V. Designed to handle massive, instantaneous current surges, they play a critical role in ensuring a steady and seamless flow of power across the electrified grid.

HVAC Systems

HIRECT's customized HVAC solutions cater to all types of rolling stock, providing air-conditioning, heating, and ventilation systems ranging from 1.5 TR to 20 TR. These systems are engineered to maximize passenger comfort while ensuring energy efficiency, directly capitalizing on Indian Railways' increasing focus on upgrading the passenger experience.

Modernization and New Train Sets (Vande Bharat)

HIRECT currently serves as a trusted Tier-2 supplier for the flagship Vande Bharat trains, providing vital battery chargers through various OEMs. Intensive R&D efforts are underway to expand this footprint further by developing tailored HVAC systems and specialized transformers specifically for Vande Bharat and other semi-high-speed trains.

Indian Traction Transformers Market

The traction transformer market in India is experiencing robust growth, driven by the rapid electrification of railway networks, expansion of high-speed rail projects, and significant investments in modernizing urban transit systems. As India accelerates its railway modernization initiatives and urban infrastructure development, demand for traction transformers, which convert high-voltage grid power to the lower voltages required by electric locomotives and metros, is rising sharply. The rollout of high-speed trains, metro systems, and dedicated freight corridors is a primary driver of this demand, while the government's focus on sustainable transportation and the integration of renewable energy into rail infrastructure further supports the adoption of advanced, energy-efficient transformer technologies.

Indian HVAC Systems Market

The overall Indian HVAC systems market, valued at nearly USD 13.6 billion in 2025, is projected to expand at a CAGR of 14.89% from 2026 to 2034, representing a substantial and largely untapped opportunity. HIRECT has translated its deep engineering prowess from core power electronics into this adjacent space, gaining strong traction for its specialized railway rolling stock air-conditioning units. Building on this progress, the Company is actively exploring applications for off-road and heavy-duty industrial vehicles.

(Source: www.imarcgroup.com/india-hvac-market)

HIRECT's Strategy for the Railway Market

With an addressable market of approximately ₹11,000 crore within the domestic railway sector alone, the available headroom for growth is immense. The strategy to capture it is straightforward: systematically increase the Company's 'share of wallet' per locomotive manufactured. By supplying the main transformer, auxiliary converter systems, traction motors and passenger HVAC units, and now targeting a 10% market share in propulsion systems, HIRECT is positioning itself as an indispensable, end-to-end strategic partner for Indian Railways and all major global rolling stock OEMs operating in India.

Industrial Power Solutions

HIRECT is actively expanding its Industrial Power Solutions vertical as a central pillar of its broader strategy to diversify revenue streams and reduce its historical ~90% reliance on Indian Railways.

Operating in a highly specialized ₹2,000 crore addressable market, the Company's solutions are engineered for absolute reliability in the harshest industrial environments, serving heavy, energy-intensive industries such as cement, steel, mining, and thermal power through its critical industrial rectifiers, specialized power supply solutions, and electrostatic precipitators for pollution control:

01 **Single and Three-Phase ESP Power Supply:**

- Precision SCR-controlled, ultra-high-efficiency systems scaling up to 750 kVA, these are vital components for powering Electrostatic Precipitators used in industrial air pollution control and emissions reduction.

02 **Mid- and High-Frequency Power Supplies:**

- IGBT-controlled units featuring Active Front End (AFE) topology deliver precision high-frequency switching with capacities of up to 500 kVA and power solutions reaching 300 kW, making them well-suited for complex metallurgical and induction heating applications.

03 **Thyristor-Controlled Rectifiers:**

- These are heavy-duty DC power sources engineered for continuous operation in demanding electrochemical processes, delivering a stable low-voltage, high-current supply. Air-cooled and oil-cooled transformer-rectifier configurations offer outputs of up to 1,000 V and 20 kA, available in both 6-pulse and 12-pulse configurations to serve a wide range of energy-intensive industrial applications.

04 **Water-Cooled Rectifiers:**

- Purpose-built for high-power DC requirements in heavy manufacturing and smelting operations, these ultra-high-power rectifiers leverage advanced 6-pulse, 12-pulse, and 24-pulse configurations. Equipped with OFWF (Oil Forced Water Forced) transformers, they deliver efficient water cooling and superior thermal performance, supporting outputs of up to 1,500 V and currents reaching 80 kA.

05 **SMPS Rectifiers:**

- Compact, modular, and stackable high-frequency DC power sources, these units offer unparalleled footprint efficiency for modern control rooms. Controlled by high-frequency switching inverters, they deliver precise and reliable output with capacities of up to 35 V and 3,000 A.

Financial Performance

Performance Review		
Standalone Financials	**2025-2026**	**2024-2025**
Revenue from operations (₹ in millions)	9,492.12	6,553.67
EBITDA (₹ in millions)	1,034.66	719.5
EBITDA Margins (%)	10.90	10.98
PAT (₹ in millions)	576.71	372.71
EPS (₹) before Exceptional Item	17.37	10.87
EPS (₹) after Exceptional Item	16.79	10.87
Working Capital Days	84	97

Key Ratios				
Particulars	**As of March 31, 2026**	**As of March 31, 2025**	**Change (%)**	**Reasons for Change in Ratios More than 25%**
(a) Current Ratio (in Times)	1.17	1.21	(3.16)	-
(b) Debt-Equity Ratio (in Times)	1.02	1.03	(0.83)	-
(c) Debt Service Coverage Ratio (in Times)	2.97	2.49	19.31	-
(d) Return on Equity Ratio (in %)	30.25	26.20	15.46	-
(e) Inventory Turnover Ratio (No. of Days)	65	83	(21.53)	-
(f) Trade Receivables Turnover Ratio (No. of Days)	55	47	16.27	-
(g) Trade Payables Turnover Ratio (No. of Days)	36	33	10.33	-
(h) Net Capital Turnover Ratio (in Times)	15.98	14.50	10.23	-
(i) Net Profit Ratio (in %)	6.08	5.69	6.78	-
(j) Return on Capital Employed (in %)	24.21	23.36	3.63	-

Risk Management

HIRECT's philosophy toward enterprise risk is grounded in a proactive discipline: the Company systemically identifies operational vulnerabilities and works to convert them into structural, long-term competitive advantages.

Risk Category	Risk Description	Mitigation Strategy
Industry and Market Risks	Demand fluctuations due to over-reliance on domestic, government-driven spending cycles, particularly within Indian Railways.	Actively diversifying the revenue base across multiple geographies and sectors through the acquisition of Belink Solutions, expanding further into the defence, aerospace and renewables sectors.
Operational and Supply Chain Risks	Volatility in raw material availability and pricing, particularly high premiums on specialized copper, leading to margin pressures and production delays.	Commissioned the captive CTC plant at Sinnar for in-house manufacturing of specialized copper conductors, insulating core production lines from import delays and unpredictable global price variations. Long term supplier agreements for critical components.
Technological and Innovation Risks	The constant threat of technological obsolescence and the rapid pace of progress in the fast-moving electronics landscape.	Treating R&D as a primary growth engine with approximately 40 new advanced products in the pipeline. Appointed a global CEO to spearhead the adoption of next-generation wide bandgap technology and leverage European R&D capabilities.
Regulatory and Compliance Risks	The fluid nature of statutory requirements, shifting compliance landscapes, and complex international trade laws.	Management oversight, comprehensive compliance education programs, and robust, third-party compliance audits across both domestic facilities and newly acquired international entities.
Financial and Credit Risks	Exposure to adverse currency fluctuations, interest rate volatility, and inefficient working capital allocation.	Maintained rigorous financial discipline, and prudent use of internally generated cash accruals to fund growth projects without overleveraging the balance sheet.
Competition Risk	The continuous influx of larger, heavily capitalized, and globally backed multinational competitors challenging market position.	Aggressively backward-integrating manufacturing to become the lowest-cost, highest-quality producer, while acquiring advanced European IP via Belink to match the technological prowess of global multinationals.
Cybersecurity and Data Risks	Escalating vulnerabilities and threats of digital breaches or unauthorized access in enterprise digital platforms.	Implementing and continuously upgrading resilient IT cybersecurity frameworks to protect digital and intellectual assets, accompanied by periodic network evaluations.
Environmental and Sustainability Risks	Stricter environmental mandates, climate change impacts, and the urgent need to transition to green technologies.	Prioritizing a strategic shift toward engineering energy-saving, sustainable innovations across all new product designs and venturing into green energy ecosystems like electrolyzer power supplies.

Internal Control System and its Adequacy

As HIRECT extends its operational footprint across geographies and absorbs new international subsidiaries into its fold, the integrity of its internal governance framework becomes an increasingly consequential responsibility. The Company's internal control system is designed to meet this responsibility on three fronts simultaneously: ensuring absolute precision in financial reporting, protecting intellectual property and physical assets from both digital and operational risk, and enforcing rigorous adherence to domestic regulatory mandates alongside complex international compliance frameworks.

At the heart of this system sits an independent internal audit function that reports directly to the Board's Audit Committee, operating on a detailed, risk-based annual audit plan. This function casts an equal and unsparing eye over the Company's established domestic facilities and its newly acquired international operations, ensuring that governance standards travel seamlessly across every entity under the HIRECT umbrella. Underpinning this audit architecture are clearly articulated, highly digitized operating policies that guide day-to-day functions across all geographies, holding unit heads to a consistent standard of transparency and accountability regardless of where they operate. Regular and in-depth management reviews then close the loop, ensuring the control environment functions as a living, dynamic framework that actively enhances operational efficiency and eliminates redundancies, rather than serving as a passive compliance mechanism. Together, these interlocking layers of oversight are calibrated to grow alongside the Company's multinational ambitions and sustain them with equal rigor.

Opportunities and Threats

The prevailing macroeconomic and policy environment presents a generational window of opportunity for HIRECT. The Indian government's heavily funded push for railway modernization, backed by a massive budget allocation, has created a highly visible, multi-year demand cycle that aligns precisely with the Company's core competencies. Within this ecosystem, HIRECT stands on the verge of unlocking an entirely new and high-value vertical: the successful commencement of field trials for the indigenous 6,000 HP propulsion system marks the Company's transition from component supplier to full-system integrator, a shift with significant long-term revenue implications.

The market HIRECT operates in, however, carries equally real threats. Increased domestic and international competition, aggressive pricing pressures from new entrants, and the rapid pace of technological change together create an environment where historical strengths alone cannot guarantee future positions. The need to accelerate new product development is particularly pressing, given that larger players frequently benefit from technological advantages rooted in their global linkages and R&D networks.

HIRECT has responded to these pressures through two decisive moves. The backward integration into in-house CTC manufacturing secures the supply chain against raw material volatility and protects operating margins at their foundation. The acquisition of Belink Solutions enhances the technical strength and capabilities, equipping the Company with advanced European R&D and electronics manufacturing that bring it onto a comparable footing with the global players it competes against.

Outlook

The period ahead holds three distinct growth catalysts for HIRECT, each maturing in close succession. The commercialization and ramp-up of the propulsion systems, the monetization of in-house copper conductor manufacturing capacity to the external market in 2026-2027, and the scaling of the newly acquired European operations will together serve as powerful, margin-accretive engines over the long term. The Company is systematically building a future-ready, globally competitive power electronics enterprise, and the value creation journey that this represents has only just begun.

Human Resources

Behind every transformer shipped, every field trial cleared, and every new product that moves from the laboratory to the production line, there are people. HIRECT's engineers, technicians, researchers, and shop floor teams are the living engine of everything the Company has built and everything it is reaching toward, and this is a truth the Company holds at the center of every strategic decision it makes.

HIRECT has deliberately nurtured a culture where merit is the only currency, where breakthrough thinking is celebrated rather than merely tolerated, and where willingness to take a well-reasoned risk is seen as a professional strength. Continuous learning is not a program here; it is a way of working. Targeted skill-building workshops keep the workforce fluent in next-generation technologies, while global exposure and exchange programs, given new depth by the European acquisition, are broadening the horizons of teams across every level of the organization. Rigorous safety standards, maintained without compromise across all manufacturing sites, reflect the Company's belief that a workplace worthy of its people is the starting point for everything else.

As HIRECT grows its international footprint and welcomes new teams into its fold, the commitment to building an inclusive, diverse, and collaborative environment only deepens. Every employee, wherever they work within the HIRECT family, is seen as a future leader in the making.

679

Permanent Employees as of March 31, 2026

Cautionary Statement

The Management Discussion and Analysis Report contain statements regarding the Company's objectives, projections, estimates, expectations, or predictions, which may be considered as 'forward-looking statements' according to the applicable laws and regulations. It should be noted that actual results may differ significantly from those expressed or implied in these statements. The Company is under no obligation to publicly amend, modify, or revise any forward-looking statement, whether due to subsequent developments, new information, events, or any other reason.

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Hind Rectifiers Limited

Report on the Audit of the Standalone Ind AS Financial Statements

OPINION

We have audited the accompanying Standalone Ind AS Financial Statements of Hind Rectifiers Limited ("the Company") which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period.

These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
1	**Completeness of revenue in relation to determination of point of time when revenue should be recognized** 1. The Company has revenue from sale of products which includes finished goods and sale of services in the form of an AMC charges. The Company manufactures highly specialized machined finished goods as per specification provided by the customers and based on the schedules from the customers.	Our audit procedures included the following: 1. Obtained an understanding of the Company's sales process, including design and implementation of controls and tested the operating effectiveness of these controls. 2. Obtained an understanding of the Company's accounting policies pertaining to revenue recognition and assessed compliance with Ind AS 115 - Revenue from Contracts with Customers. 3. Evaluated the terms of customer contracts on sample basis to assess various performance obligations in the contract, the point in time of transfer of control and pricing terms.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
	2. The Company recognizes revenue from sale of finished goods at a point in time based on the terms of the contract with customers which varies for each customer. Determination of point in time includes assessment of timing of transfer of significant risk and rewards of ownership, establishing the present right to receive payment for the products, delivery specifications, timing of transfer of legal title of the asset and determination of the point of acceptance of goods by customer. 3. Due to judgements relating to determination of point in time in satisfaction of performance obligations with respect to sale of products, this matter has been considered as key audit matter.	4. Performed testing on a sample basis sales invoices for identification of point in time for transfer of control and terms of contract with customers. Further, we performed procedures to test on a sample basis whether revenue was recognized in the appropriate period by testing shipping records, good inwards receipt of customer, sales invoice, etc. and testing the management assessment involved in the process, wherever applicable 5. We assessed the disclosure is in accordance with applicable accounting standards. 6. Performed various analytical procedures to identify any unusual sales trends for further testing.
2	**Recoverability of trade receivables** Trade receivables, forms a significant part of the financial statements. Customer contracts typically involve time consuming and complex conditions around closure of contracts, including technical acceptances. This generally leads to longer and significant time for realization of receivables. As a result of the above, management's assessment of recoverability of trade receivables, involves critical evaluation of all factors impacting recoverability, including impact of external environment such as capability of customers to pay. Management makes an impairment allowance for trade receivables on the basis of its assessment of recoverability of specific customers and on the basis of expected credit loss model for the remaining customers in accordance with Ind AS 109, Financial Instruments. For the purposes of impairment assessment, significant judgements and assumptions are made, including assessing credit risk, timing and amount of realization, etc. In view of above, we determined this to be a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: 1. We obtained an understanding of the processes implemented by management to estimate impairment provision against trade receivables. 2. We tested key controls (both design and operating effectiveness) over management's estimate of impairment loss on random sample basis. 3. We obtained and tested the appropriateness of ageing of trade receivables with the underlying invoices on a sample basis using random sampling. 4. We evaluated the impairment model adopted by management to estimate the expected credit loss and tested related computations. We corroborated management's estimates on the basis of past trends. 5. We obtained, discussed and tested management assessment of impairment for specific customer balances with designated management personnel. 6. We have circulated direct confirmations on a sample basis using statistical sampling. In case of non-receipt of such confirmations, alternate test procedures such as testing subsequent receipts and underlying documents have been performed.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders information, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our 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 obtained the other information and we have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS 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 the Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with the Standalone Ind AS Financial Statements and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS 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.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books.
   c) The company has branch offices, although no separate books of accounts are prepared by the Branch and hence section 143(8) does not apply to the company.
   d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   e) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   f) In our opinion, there are no financial transactions or matters which have any adverse effect on the functioning of the company.
   g) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164 (2) of the Act.
   h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.
   i) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer

to our separate report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act.

k) In our opinion and to the best of our information and according to the explanations given to us, we report as under 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 as referred to Note 46 to the Standalone Ind AS Financial Statement.

(ii) The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses if any, on long term contracts.

(iii) During the year, the Company is in the process of transfering the unclaimed dividend pertaining to FY 2018-19 to the Investor Education and Protection Fund in compliance with the provisions of Section 125 of the Companies Act, 2013.

(iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(d) The final dividend proposed for the previous year was declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with Section 123 of the Act, as applicable.

(e) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 01, 2023:

Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For GMJ & Co
Chartered Accountants
FRN: 103429W

CA Madhu Jain
Partner
M. No.: 155537
UDIN: 261555 37PRAV UX1814

Place: Mumbai
Date: May 16, 2026

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of "The Company" of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the company's Property, plant and equipment and intangible assets:

a. A. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

b. The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties and/or lease agreements where immovable properties are taken on lease are held in the name of the Company.

d. The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted secured loans to companies, firms, limited liability partnership or any other parties during the year. During the year, the Company has made investment in its subsidiary companies, details of which are set out as below.

a. According to the information and explanations given to us and on the basis of our examination of the records, the company has not provided loans or provided advances in the nature of loans, or stood up guarantee or provided security to any entities. Hence, reporting under clause 3(iii)(a) of the order is not applicable.

b. According to the information and explanations given to us and on the basis of our examination of the records, the investments made, guarantees provided and the terms and conditions of the grant provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c. The company has not provided any loans to any entity, therefore reporting under clause 3(iii)(c) to 3 (iii)(f) is not applicable. The details of investments made during the year are as under:

Sr.No.	Name of Subsidiary	Nature	Holding %	Amount (INR)	Relationship
1	Eleventive France (formerly BeLink Hirect SAS)	Equity Shares	66%	6,94,98,000	Subsidiary
2	Eleventive France (formerly BeLink Hirect SAS)	Irredeemable Preference Shares	17%	10,53,00,000	Subsidiary
3	Coincade Studios Private Limited	Equity Shares	100%	39,97,000	Wholly-Owned Subsidiary

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted loans or provided guarantees or securities to parties covered under Section 185 of the Companies Act, 2013. During the year, the Company has given a corporate guarantee of EURO 7,50,000 on behalf of its subsidiary, Eleventive France (formerly BeLink Hirect SAS), deposited with the French Court. The Company has complied with the provisions of Section 186 of the Act in respect of investments made and the aforesaid guarantee provided, as applicable.

v. The Company has not accepted deposits from public within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.

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 sub-section (1) of Section 148 of the Act and in respect of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a. According to the information and explanations given to us and on the basis of examination of records of the Company, no undisputed amounts payable in respect of provident fund, Employees' State insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at March 31, 2026 for a period more than six months from the date they became payable.

b. According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, as at March 31, 2026, the followings are the particulars of the dues that have not been deposited on account of dispute.

(₹ in Millions)

Name of the Statute	Nature of the Dues	Amount	Period to which it relates	Forum where dispute is pending
Goods and Services Tax	Taxable value higher in GSTR-9 compare to GSTR-3B	3.44	FY 2017-18	Appeal filed against order with Commissioner (Appeals)
Goods and Services Tax	ITC availed on CSR activities	0.57	FY 2020-21 & FY 2021-22	Appeal filed against order with Commissioner (Appeals)
Goods and Services Tax	Excess ITC availed compare to GSTR-3B with GSTR-2A for the FY 2020-2021	6.03	FY 2020-21	Appeal filed against order with Commissioner (Appeals)

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. The Company has availed a vehicle loan from Mercedes-Benz Financial Services India Private Limited, an NBFC, and there were no defaults in repayment of principal or interest thereon during the year. The Company does not have any dues to banks, Government or debenture holders as at the balance sheet date.

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

c. According to the information and explanations given to us by the management, the Company has obtained term loans from banks and Term loan taken from the banks are utilised for the purpose for which they were granted.

d. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e. According to information and explanations given to us, and the procedure performed by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has allotted 2,00,000 equity warrants on a preferential basis to Elventive Tech Private Limited (Promoter Group) during the year, in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (ICDR) Regulations, 2018. The Company has also issued equity shares to its employees under the Employee Stock Option Plan Scheme during the year.

xi. a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we did not notice any fraud on or by the Company, noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c. According to the information and explanations given to us, there are no whistle blower complaints received by the company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. According to information and explanations given us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by Ind AS 24, Related Party Disclosures specified under section 133 of the Act read with the relevant rules issued thereunder.

xiv. a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b. We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion and according to the information and explanations given to us, the company has not entered any non-cash transactions with its directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

xvi. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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 our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 to the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clause 3(xx)(a) and clause 3(xx)(b) of the Order are not applicable for the year.

For GMJ & Co
Chartered Accountants
FRN: 103429W

CA Madhu Jain
Partner
M. No.: 155537
UDIN: 261555 37PRAV UX1814

Place: Mumbai
Date: May 16, 2026

Annexure – 'B' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hind Rectifiers Limited 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")

(Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hind Rectifiers Limited of even date)

We have audited the internal financial controls over financial reporting of "Hind Rectifiers Limited" ("the Company") as of March 31, 2026, in conjunction with our audit of the Standalone Ind AS 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 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 over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

INDEPENDENT AUDITOR'S REPORT (Contd.)

(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 Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GMJ & Co
Chartered Accountants
FRN: 103429W

CA Madhu Jain
Partner

Place: Mumbai — M. No.: 155537
Date: May 16, 2026 — UDIN: 261555 37PRAV UX1814

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(₹ in millions)

Sr. No.	Particulars	Note No.	As at March 31, 2026 (Audited)	As at March 31, 2025 (Audited)
I.	ASSETS			
1	**Non Current Assets**			
a.	Property, Plant and Equipment	2	**1,466.92**	866.45
b.	Capital Work in Progress	3	**32.99**	68.44
c.	Other Intangible Assets	4	**169.40**	156.61
d.	Intangible Assets under Development	5	**58.79**	52.89
e.	Right to use leased asset	2A	**31.13**	47.63
f.	Financial Assets			
	i. Investments	6	**182.98**	4.19
	ii. Loans	7	**-**	0.01
	iii. Other Financial Assets	8	**65.37**	114.54
g.	Other Non Current Assets	10	**33.73**	195.00
			2,041.31	1,505.76
2	**Current Assets**			
a.	Inventories	11	**1,352.80**	1,207.32
b.	Financial Assets			
	i. Trade Receivables	12	**2,270.97**	1,095.50
	ii. Cash and Cash equivalents	13	**3.21**	2.94
	iii. Bank Balances other than (ii) above	14	**10.69**	8.41
	iv. Loans	15	**0.05**	0.63
	v. Other Financial Assets	16	**186.24**	87.67
c.	Other Current Assets	18	**228.51**	234.98
			4,052.47	2,637.45
3	**Assets held for Sale**	19	**32.34**	32.58
TOTAL ASSETS			**6,126.12**	4,175.79
II.	EQUITY AND LIABILITIES			
1	**Equity**			
a.	Equity Share Capital	20	**68.74**	34.33
b.	Other Equity	21	**2,143.90**	1,565.96
			2,212.64	1,600.29
2	**Liabilities**			
	Non Current Liabilities			
a.	Financial Liabilities			
	i. Borrowings	22	**325.04**	284.00
	ia. Lease liabilities	2A	**19.11**	37.27
	ii. Other Financial Liabilities	23	**0.80**	0.80
b.	Provisions	24	**63.80**	52.51
c.	Deferred tax Liabilities (net)	9	**46.12**	15.31
			454.87	389.89
	Current Liabilities			
a.	Financial Liabilities			
	i. Borrowings	25	**1,897.76**	1,305.81
	ia. Lease liabilities	2A	**18.16**	15.58
	ii. Trade Payables			
	a. total outstanding dues of micro and small enterprises	26	**29.07**	14.30
	b. total outstanding dues of creditors other than micro and small enterprises	26	**1,088.47**	584.86
	iii. Other Financial Liabilities	27	**216.55**	128.08
b.	Other Current Liabilities	28	**143.65**	72.55
c.	Provisions	29	**53.07**	40.97
d.	Current Tax Liabilities (net)	17	**11.88**	23.46
			3,458.61	2,185.61
TOTAL EQUITY AND LIABILITIES			**6,126.12**	4,175.79
Corporate Information & Material Accounting Policies		1		

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in millions)

Sr. No.	Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
1	INCOME			
a.	Revenue from operations	30	**9,492.12**	6,553.67
b.	Other income	31	**9.63**	14.81
Total income			**9,501.75**	6,568.48
2	EXPENSES			
a.	Cost of materials consumed	32	**7,223.65**	5,011.08
b.	Purchases of stock-in-trade	-	**-**	
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	**(50.33)**	(228.23)
d.	Employee benefits expense	34	**788.95**	632.59
e.	Finance costs	35	**158.50**	131.92
f.	Depreciation and amortization expense	36	**126.35**	84.87
g.	Other Expenses	37	**504.82**	433.54
Total expenses			**8,751.94**	6,065.77
3	**Profit before exceptional items and tax**		**749.81**	502.71
4	**Exceptional items**	74	**(19.96)**	-
5	**Profit before tax**		**729.85**	502.71
6	**Tax expense**			
a.	Current tax	38	**131.73**	131.17
b.	Deferred tax	38	**21.41**	(1.17)
7	**Profit for the Year**		**576.71**	372.71
8	**Other comprehensive income/(loss)**			
	a. Items that will not be reclassified to profit and loss			
	(i) Actuarial Gains/(Loss) on post-employment defined benefit plan		**(7.58)**	(0.05)
	(ii) Tax on above	38	**1.91**	0.01
	Other Comprenensive Income/(Loss) for the Year		**(5.67)**	(0.04)
9	**Total Comprehensive income for the Year**		**571.04**	372.67
10	**Earnings per equity share**	41		
	Earnings per share before exceptional item (face value of ₹ 2 each)			
	a. Basic		**17.37**	10.87
	b. Diluted		**17.30**	10.85
	Earnings per share after exceptional item (face value of ₹ 2 each)			
	a. Basic		**16.79**	10.87
	b. Diluted		**16.72**	10.85

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

(₹ In millions)

Particulars	Balance as on beginning of the year	Changes in Equity Share Capital during the year	Balance as on end of the year (refer note 20)
Current Reporting period - As on March 31, 2026	**34.28**	**34.46**	**68.74**
Previous Reporting period - As on March 31, 2025	34.25	0.03	34.28

**Refer note no. 21*

B. OTHER EQUITY

Current Reporting period

(₹ In millions)

Particulars	Reserves & Surplus					Other Comprehensive Income reserve	Total Other Equity (refer note 21)
	Securities Premium	General Reserve	Share Based Payment Reserve	Share Warrant	Retained Earnings	Remeasurement of employee benefits	
As at March 31, 2025	**230.86**	**655.84**	**3.36**	**-**	**670.93**	**4.97**	**1,565.96**
Profit/(Loss) for the year	-	-	-	-	576.71	-	576.71
Other Comprehensive Income/(Loss)	-	-	-	-	-	(5.67)	(5.67)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**576.71**	**(5.67)**	**571.04**
ESOPs exercised/Lapsed	**4.00**	**-**	**(2.24)**	**-**	**-**	**-**	**1.76**
ESOP Expenses	**-**	**-**	**5.42**	**-**	**-**	**-**	**5.42**
Bonus shares issued	(34.37)	-	-	-	-	-	(34.37)
Share warrant application money	-	-	-	68.41	-	-	68.41
Dividend	-	-	-	-	(34.32)	-	(34.32)
As at March 31, 2026	**200.49**	**655.84**	**6.54**	**68.41**	**1,213.32**	**-0.70**	**2,143.90**

Previous Reporting period

(₹ In millions)

Particulars	Reserves & Surplus				Other Comprehensive Income reserve	Total Other Equity (refer note 21)
	Securities Premium	General Reserve	Share Based Payment Reserve	Retained Earnings	Remeasurement of employee benefits	
As at March 31, 2024	226.22	655.42	5.59	318.79	5.00	**1,211.02**
Profit/(Loss) for the year	-	-	-	372.71	-	372.71
Other Comprehensive Income/(Loss)	-	-	-	-	(0.03)	(0.03)
Total Comprehensive Income for the Year	-	-	-	372.71	(0.03)	**372.68**
ESOPs exercised/Lapsed	4.64	0.42	(3.01)	-	-	**2.05**
ESOP Expenses	-	-	0.78	-	-	**0.78**
Dividend	-	-	-	(20.57)	-	(20.57)
As at March 31, 2025	**230.86**	**655.84**	**3.36**	**670.93**	**4.97**	**1,565.96**

The accompanying notes are an integral part of the financial statements

As per our report attached

For and on behalf of the Board of Directors

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
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DIN:00201962

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A. K. Nemani
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Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

Place: Mumbai
Date: May 16, 2026

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in millions)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Exceptional Item	**749.81**	502.71
Add/(Less): Exceptional Items	**(19.96)**	-
Net Profit After Exceptional Item	**729.85**	502.71
Adjusted for:		
Depreciation & Amortization Expense	**109.85**	68.75
Depreciation on right of use assets	**16.50**	16.12
Income on investments	**(4.00)**	(3.11)
Assets and CWIP written off	**10.05**	39.50
(Gain)/Loss on sale of assets	**0.18**	(9.14)
Bad debts, Liquidated damages and Provision for doubtful debts	**78.36**	77.14
Expense of Provision for warranty	**45.13**	32.70
Expense of Provision for Gratuity	**5.19**	2.42
ESOP expenses	**5.42**	0.78
Exchange rate fluctuation	**(4.67)**	(1.85)
Interest Charged	**158.50**	131.92
Operating Profit before Working Capital Changes	**1,150.36**	857.94
Adjusted for :		
Trade & Other Receivables	**(1,165.61)**	(582.57)
Inventories	**(145.48)**	(240.14)
Trade payables	**523.05**	128.18
Other financial liabilities	**556.12**	245.01
Other liabilities and provisions	**120.37**	27.84
	(111.55)	(421.68)
Cash Generated from Operations	**1,038.81**	436.26
Taxes Paid (Net)	**(132.00)**	(80.01)
Net Cash from Operating Activities (A)	**906.81**	356.25
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, Capital Work in Progress, Intangible Assets and Intangible Assets under development	**(703.65)**	(227.16)
Proceeds from disposal of Property, Plant and Equipment	**0.09**	12.51
Proceeds from bank deposits	**99.00**	60.00
Bank Deposits placed	**(68.00)**	(99.00)
Investment in Subsidiary	**(178.79)**	(2.91)
Interest Received	**3.64**	3.42
Dividend Received	**0.08**	0.08
Net Cash used in Investing Activities (B)	**(847.63)**	(253.06)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of ESOP	**1.81**	2.11
Proceeds of Share warrant share aplication money	**68.41**	-
Dividend paid	**(34.32)**	(20.57)
Payment of lease liabilities	**(20.01)**	(18.76)
Proceeds from Borrowings	**201.38**	159.59
Repayment from Borrowings	**(124.51)**	(104.10)
Interest Paid	**(149.38)**	(125.65)

STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(₹ in millions)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
Net Cash used in Financing Activities (C)	**(56.62)**	(107.38)
Net Changes in Cash & Cash Equivalents (A+B+C)	**2.56**	(4.19)
Cash & Cash Equivalents - Opening Balance	**11.34**	15.53
Cash & Cash Equivalents - Closing Balance	**13.90**	11.34

Changes in liabilities arising from financing activites in accordance with Ind AS 7

(₹ in millions)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
Opening balances		
Non Current borrowing (Refer Note 22)	**284.00**	233.49
Current Borrowings (Refer Note 25)	**1,305.81**	1,055.83
	1,589.81	1,289.32
Cash Flow Movements		
Non Current borrowing	**41.04**	50.51
Current Borrowings	**591.07**	249.98
	632.11	300.49
Non Cash Movement (Foreign Exchange Movement)		
Non Current borrowing	**-**	-
Current Borrowings	**0.88**	-
	0.88	-
Closing balances		
Non Current borrowing (Refer Note 22)	**325.04**	284.00
Current Borrowings (Refer Note 25)	**1,897.76**	1,305.81
	2,222.80	1,589.81

Cash Flow from Supplier Financing Arrangement

Particulars	April 01, 2025	Cash Flow	Forex Changes	March 31, 2026
Carrying amount of financial liabilities that are part of Supplier financing arrangement				
- Presented in Trade Payables	-	51.35	-	**51.35**
- Presented in Other Financial Liability	-	-	-	**-**
Total	**-**	**51.35**	**-**	**51.35**

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

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A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31 2026

1 - OTHER NOTES ON FINANCIAL STATEMENTS AS AT, AND FOR THE YEAR ENDED MARCH 31, 2026

1.1 Corporate Information

Hind Rectifiers Limited ('Hirect' or 'the Company') is a public Company domiciled in India and is incorporated in 1958 under the provisions of the Companies Act, applicable in India. The principal place of business of the Company is located in Bhandup, Mumbai. The Company is principally engaged in developing, designing, manufacturing and marketing Power Semiconductor, Power Electronic Equipments and Railway Transportation Equipments.

1.2 Material Accounting Policies

a) Basis of Preparation of Financial Statements

i) Compliance with IND-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

ii) Historical Cost Convention

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

1) Assets held for sale - measured at lower of carrying amount or fair value less cost to sell.

2) Defined benefit plans - plan assets measured at fair value.

3) Certain Financial Instruments that is measured at Fair value/Subsequently measured at amortized cost.

4) Share Based Payments.

iii) Rounding of amounts

The financial statements are presented in ₹ and all values are rounded to the nearest millions (₹ 0,00,000), except when otherwise indicated.

b) Material accounting judgements, estimates and assumptions

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/ materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

c) Current/non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle.
- Due to be settled within twelve months after the reporting period, or
- The entity does not have a right, as at the end of the reporting period, to defer settlement of the liability for at least twelve months after the reporting period, or such right does not have substance.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

d) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods & rendering of services.

The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from April 01, 2018.

The Company's obligation to repair and replace faulty products under standard warranty terms is recognized as a provision.

Sale of Products

Revenue from contracts with customers is recognized when a performance obligation is satisfied by transfer of promised goods to a customer. Customers obtain control as per the terms of the respective contracts.

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which entity expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The entity includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer, ranging from 30 to 120 days.

Amounts disclosed in the revenue excludes GST.

Sale of services

Services rendered include Repairing and Servicing, AMC and Erectioning and Commissioning services.

Invoices are issued according to contractual terms and are usually receivable as per the credit period agreed with the customer.

Revenue from rendering of services is recognized over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to receive the payment for services transferred.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.

The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Significant judgments are used in:

a. Determining the revenue to be recognized in case of performance obligation satisfied over a period of time. Revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

b. Determining the expected losses, which are recognized in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

c. Determining the method to be applied to arrive at the variable consideration requiring an adjustment to the transaction price.

   Revenue includes adjustments made towards liquidated damages and price variation clause wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

Interest income

Interest income is recognized using the effective interest rate method.

Dividends

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established.

Export Incentives

Export incentives receivable under various schemes are accounted on accrual basis.

Government Incentives

The Company is entitled to incentives from government authorities in respect of manufacturing units located in developing regions. The Company accounts for it's entitlement as income on accrual basis.

Government grants are recognized when there is reasonable assurance that the grant will be received upon the Company complying with the conditions attached to the grant. If the government grants are by way of financial assistance on the basis of certain qualifying criteria are recognized as they become receivable.

Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Company.

In the unlikely event that a grant previously recognized is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognized is expensed in the Statement of Profit and Loss.

e) Taxes

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Current tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the Company intends to settle the asset and liability on a net basis.

f) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, administrative and other general overhead expenses and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

PPE is recognized 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.

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 can be measured reliably. PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property,plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

g) Intangible assets

Intangible assets with finite useful lives that are acquired separately or developed in-house are carried at cost less accumulated amortization and accumulated impairment losses.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law or the likelihood of technical, technological obsolescence or commercial obsolescence. If, there are no such limitations, the useful life is taken to be indefinite. An intangible asset with an indefinite useful life is not amortized.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method .

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets representing

a. cost of software capitalized is amortized over its useful life which is estimated to be a period of five years.

b. cost of technical knowhow and product development capitalized are amortized over its useful life which is estimated to be a period of seven years.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on de-recognition are determined by comparing proceeds with carrying amount. These are included in profit or loss under other expenses/other income.

Development expenditure on new products is capitalized as intangible asset, if all of the following can be demonstrated:

1. The technical feasibility of completing the intangible asset so that it will be available for use or sale;
2. The Company has intention to complete the intangible asset and use or sell it;
3. The Company has ability to use or sell the intangible asset;
4. The manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
5. The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
6. The Company has ability to reliably measure the expenditure attributable to the intangible asset during its development. Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Inventories

Cost of inventories comprises cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Taxes and duties subsequently recoverable from taxation authorities are excluded from the cost of inventories. Inventories are valued at the lower of cost and net realizable value, except scrap, which is valued at net realizable value. Appropriate provision is made, wherever necessary, for obsolete, slow-moving and defective inventories.

i) Raw Materials are valued at lower of cost and net realizable value. Cost is determined using the weighted average method.

ii) Work-in-Progress, Finished Goods and Stock-in-Trade are valued at lower of cost and net realizable value. Cost is determined using the weighted average method and includes direct labor and appropriate production overheads, wherever applicable.

iii) Scrap is valued at estimated net realizable value.

iv) Stores and Spares are valued at lower of cost and net realizable value.

v) Tools and Instruments are carried at book value.

Materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

j) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

When the possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made.

Contingent liability is disclosed in case of:

(i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation arising from past events where:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

k) Cash and cash equivalents

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

l) Employee Benefits

i) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employee renders the related service.

ii) Post Employment/Retirement Benefits

Defined Contribution plan

- Provident Fund is a defined contribution scheme established under State Plan. The contributions to the scheme are charged to Profit & Loss Account in the year when the contributions to the funds are due.
- Superannuation Fund is a defined contribution scheme and contribution to the scheme are charged to the Profit & Loss Account in the year when contributions are made in respect of employees covered under the scheme. The scheme is funded with Life Insurance Corporation of India.

Defined Benefit plan

The present value of the obligation under defined benefit retirement (gratuity) plan, is determined based on an actuarial valuation by an independent actuary at the end of each financial year. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

- The liability in respect of employees is provided and contributed to Life Insurance Corporation of India under Group Gratuity (Cash Accumulation) Scheme except;

  a) In case of Mananging Director and CEO and Executive Director, Gratuity liability, is provided in accordance with the terms of appointment.

  b) In case of Nashik Division it is provided on the basis of actuarial valuation.

  c) Employees working in Sweden office are not covered under this scheme as they are covered by the social security tax scheme as per Sweden laws.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

iii) Other Long Term Employee Benefits

The Company has other long term employee benefits in the form of Leave Encashment. The liability in respect of Leave Encashment is provided for on the basis of actuarial valuation made at the end of the financial year. The aforesaid Leave Encashment is not funded.

Actuarial gains/losses are recognized immediately to Other Comprehensive income,net of income taxes.

iv) Termination Benefits:

Compensation to employees who have opted for retirement under the Voluntary Retirement Scheme and termination of services of the employees by the Company is charged to the Statement of Profit and Loss account in the year on actual basis.

m) Research and Development

Research and development expenditures are accounted for in accordance with the principles laid down in Ind AS 38 – Intangible Assets.

Research Phase:

Expenditure incurred during the research phase of an internal project is expensed as incurred. Research activities are aimed at obtaining new knowledge and do not result in the creation of an asset that meets the recognition criteria under Ind AS 38.

Development Phase:

Expenditure on development activities is recognized as an intangible asset only if all of the following criteria are met:

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) The intention to complete the asset and use or sell it;

iii) The ability to use or sell the asset;

iv) How the asset will generate probable future economic benefits;

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

v) The availability of adequate technical, financial, and other resources to complete the development and to use or sell the asset;

vi) The ability to reliably measure the expenditure attributable to the asset during its development.

If the above conditions are not met, the development expenditure is charged to the Statement of Profit and Loss as incurred.

Capitalization and Amortization:

Development costs recognized as an intangible asset are measured initially at cost and are amortized on a systematic basis over their useful life, not exceeding ten years. The amortization method and useful life are reviewed at least annually.

Other Costs:

R&D costs that do not qualify for capitalization are recognized as expenses in the period in which they are incurred. Property, plant and equipment acquired for R&D purposes are capitalized under Ind AS 16 and depreciated over their estimated useful lives.

Expenses incurred till the research phase are charged in the statement of profit and loss whereas the expenses for the development phase are capitalized as Intangible assets on completion of certain conditions.

n) Effects of Changes in Foreign Exchange Rates

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

2) Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

3) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

4) In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit or loss after tax and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Dilutive potential equity shares are deemed to be considered as at the beginning of the period unless issued at a later date.

p) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal company classified as held for sale continue to be recognized.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortized.

q) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a noncash nature, any deferrals or

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

r) Provision for Warranty

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. In certain contracts, the Company provides warranty for an extended period of time and includes rectification of defects that existed at the time of sale and are normally bundled together with the main contract. Such bundled contracts include two performance obligations because the promises to transfer the goods and services and the provision of service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognized as a liability. Revenue is recognized over the period in which the service-type warranty is provided on a basis appropriate to the nature of the contract and services to be rendered.

Provision made as at March 31, 2026 represents the amount of the expected cost of meeting such obligations of rectification/replacement as per acturial valuation report. The timing of the outflows is expected to be within a period of 1 to 6 years from the date of Balance Sheet.

Provisions for warranty-related costs are recognized annually.

s) Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, Capital Work-in-Progress, intangible assets and Intangible asset under development are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE, Capital Work-in-Progress, intangible assets and Intangible asset under development are tested for impairment so as to determine the impairment loss, if any.

Intangible assets with indefinite life are tested for impairment each year. Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the fair value less costs to sell and the value-in-use; and

(ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs to sell and the value-in-use.

The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the Company and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Company suitably adjusted for risks specified to the estimated cash flows of the asset.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognized immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

t) Leases

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognized at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate.

The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.Interest on lease liability is recognized using the effective interest method.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

u) Share based Payment

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

If granted number of shares lapse after the vesting period, the cumulative amount recognized as expense in respect of such granted share is transferred to the retained earnings.

v) Operating Segment

Operating segments are reported in the manner consistent with the internal reporting provided by the Chief Operating Decision Maker (CODM). Chairman and Managing Director of the Company has been identified as CODM. Company has identified only one reportable segment.

w) Financial Instruments:

Financial assets - Initial recognition

Financial assets are recognized when the Company becomes party to a contract embodying the related financial instruments. All financial assets are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are attributable to the acquisition of financial assets at fair value through profit and loss are added to or deducted from as the case may be, from the fair value of such financial assets on initial recognition.Subsequent measurement Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(i) the entity's business model for managing the financial assets and;

(ii) the contractual cash flow characteristics of the financial asset.

(1) Measured at amortized cost:

A financial asset is measured at amortized cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortized cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognized to Statement of Profit and Loss.

(2) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognized in the OCI, except for interest income which recognized using EIR method. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in the OCI is reclassified from the equity to Statement of Profit and Loss.

(3) **Measured at fair value through profit or loss (FVTPL):**

Investment in financial asset other than equity instrument, not measured at either amortized cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized in the Statement of Profit and Loss.

Equity Instruments:

For all equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognized in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in the OCI. Amounts recognized in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized in Statement of Profit and Loss.

Impairment:

The Company recognizes a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortized cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL 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 the 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 financial assets other than trade receivables, the Company reognizes 12–month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognized in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards

of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognized at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement:

Financial liabilities measured at amortized cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

A financial liability is de-recognized 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

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

Fair Value measurement:

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

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

x) Exceptional Item

Exceptional item is an item of income or expense within the standalone statement of profit and loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Group for the period. The nature and amount of such item is disclosed separately in the consolidated statement of profit and loss.

1.3 Critical Accounting Estimates

The preparation of these standalone financial statements requires the management to make judgments, use 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 judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) 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. After the commencement date, the Company reassesses the lease term if there is a material 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.

b) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships 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 assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

c) Gratuity benefit and Leave obligation

The cost of defined benefit plans (i.e. Gratuity benefit) and other long term employee obligations (i.e Leave obligation) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary

increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation and leave obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 58.

d) Impairment of Financial and Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the Company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

f) Recoverability of Trade Receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of expected future payments and any possible actions that can be taken to mitigate the risk of non-payment.

g) Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognized for deductible temporary differences and unused tax losses for which there is probability of utilization against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits and business developments.

h) Provisions

The Company estimates the provisions that have present obligations arising from a result of past events and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

i) Useful Lives Of Property, Plant And Equipment And Intangible Assets

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods.

j) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company has reviewed the new pronouncements and based on its evaluation has determined the impact thereof on its financial statements as set out below.

A. Effective from April 01, 2025

(i) Ind AS 21 — The Effects of Changes in Foreign Exchange Rates

The amendment clarifies accounting for currencies that lack exchangeability and requires use of an estimation technique to determine the exchange rate in such cases. The Company's foreign currency transactions and balances are denominated in freely exchangeable currencies (USD, EUR, AED and CHF). Accordingly, the Company has reviewed the amendment and determined that it does not have any significant impact in its financial statements.

(ii) Ind AS 1 — Presentation of Financial Statements

The amendment removes the requirement of an 'unconditional right' to defer settlement of a liability and instead requires that the right to defer must exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company's non-current borrowings are not subject to any financial covenants and the right to defer repayment is substantive as at March 31, 2026. Accordingly, the Company has no impact of this amendment in its classification of current and non-current liabilities.

(iii) Ind AS 7 — Statement of Cash Flows and Ind AS 107 — Financial Instruments: Disclosures

The amendments require entities to disclose information about supplier finance arrangements, including the nature of the arrangements, the carrying amount of liabilities forming part of such arrangements and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

(iv) Ind AS 12 — Income Taxes (Pillar Two Model Rules)

The amendment provides a mandatory temporary exception from deferred tax accounting for Pillar Two top-up taxes and requires entities to disclose whether they have applied the exception. The Pillar Two rules apply to multinational enterprise groups with annual consolidated revenues of €750 million or more. The Company's consolidated revenue is significantly below this threshold and the Company is not within the scope of Pillar Two legislation. The mandatory temporary exception has been applied by the Company.

B. Standards Issued but Not Yet Effective

Ind AS 1 — Presentation of Financial Statements

An amendment effective for annual periods beginning on or after April 01, 2026 (to be applied retrospectively) clarifies that where a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current even if the lender subsequently agrees not to demand repayment. The liability may be classified as non-current only if the lender has, before the reporting date, granted a grace period of at least 12 months within which the breach can be rectified and repayment cannot be demanded. The Company's non-current borrowings are not subject to any financial covenants. Accordingly, this amendment is not expected to have any impact on the financial statements of the Company.

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in millions)

Details of Assets	Land		Road	Buildings	Plant & Machinery	Furniture & Fixture	Vehicles	Computers	Total
	Freehold	Leasehold							
Gross carrying amount									
Balance as at March 31, 2024	**12.43**	**39.65**	**4.44**	**319.57**	**553.79**	**45.93**	**29.97**	**22.03**	**1,027.80**
Additions	-	-	-	2.68	155.24	2.45	17.67	9.06	**187.10**
Disposals	-	-	-	-	22.18	11.62	2.86	0.27	**36.93**
Reclassification as held for sale	12.22	-	2.46	39.01	6.59	-	-	-	**60.29**
Balance as at March 31, 2025	**0.21**	**39.65**	**1.98**	**283.24**	**680.25**	**36.77**	**44.77**	**30.83**	**1,117.68**
Additions	-	-	-	235.90	421.95	9.74	4.47	5.90	**677.95**
Disposals	-	-	-	-	0.80	1.81	0.87	2.37	**5.85**
Balance as at March 31, 2026	**0.21**	**39.65**	**1.98**	**519.13**	**1,101.40**	**44.69**	**48.37**	**34.36**	**1,789.79**
Accumulated depreciation									
Balance as at March 31, 2024	**-**	**2.46**	**4.22**	**47.17**	**147.36**	**26.52**	**14.00**	**18.01**	**259.73**
Additions	-	0.42	-	8.48	33.02	2.66	4.36	2.55	**51.49**
Disposals	-	-	-	-	18.45	10.86	2.72	0.25	**32.28**
Reclassification as held for sale	-	-	2.34	19.25	6.12	-	-	-	**27.71**
Balance as at March 31, 2025	**-**	**2.88**	**1.88**	**36.39**	**155.81**	**18.32**	**15.64**	**20.30**	**251.23**
Additions	-	0.42	-	11.28	51.54	3.31	5.16	4.68	**76.38**
Disposals	-	-	-	-	0.01	1.72	0.83	2.20	**4.75**
Balance as at March 31, 2026	**-**	**3.30**	**1.88**	**47.67**	**207.34**	**19.92**	**19.97**	**22.78**	**322.86**
Net carrying amount									
Balance as at March 31, 2024	**12.43**	**37.18**	**0.22**	**272.40**	**406.43**	**19.42**	**15.97**	**4.02**	**768.07**
Balance as at March 31, 2025	**0.21**	**36.76**	**0.10**	**246.84**	**524.44**	**18.44**	**29.13**	**10.52**	**866.46**
Balance as at March 31, 2026	**0.21**	**36.35**	**0.10**	**471.46**	**894.06**	**24.77**	**28.40**	**11.58**	**1,466.92**

1. Borrowing costs of ₹ 18.79 millions have been capitalized for the year ended March 31, 2026 (Previous year ₹ 7.76 millions)
2. The Company has availed working capital facilities, non fund based facilities and long term borrowings against which some of the borrowings are secured against the property, plant and equipment as per the terms and conditions of the borrowings. The details of property, plant and equipment which have been kept as security are disclosed in Note No. 22 and 25 of the Financial Statements.
3. Estimated useful life of the following assets is in line with useful life prescribed in schedule II of the Companies Act, 2013:

Asset Class	Minimum useful life (in years)	Maximum useful life (in years)
Land	95	95
Road	10	10
Buildings	30	60
Plant & Equipment	15	15
Furniture & Fixture	10	10
Vehicles	8	8
Computer	3	3

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 2A: RIGHT OF USE ASSET AND LEASE LIABILITIES

i. Right of Use Assets (Building)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
As at beginning of the year	**47.64**	59.20
Add - Additions	-	5.31
Less-Adjustments	**0.01**	0.75
Less -Depreciation for the year	**16.50**	16.12
As At end of the year	**31.13**	47.64

ii. Lease Liability

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
As at beginning of the year	**52.85**	61.54
Recognized during the year	-	5.07
Interest expense accrued during the year	**4.43**	5.74
Less-Adjustments	-	0.75
Payment during the year	**20.01**	18.75
As At end of the year	**37.27**	52.85
Cash Outflow for lease includes:		
Payment of Principal Payment of Lease Liability	**15.58**	13.01
Interest Paid on Lease Liability	**4.43**	5.74
Total	**20.01**	18.75
Lease liabilities as at:		
Non Current	**19.11**	37.27
Current	**18.16**	15.58

iii. Amount Recognized in the Statement of Profit or Loss:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation expense of right-of-use assets	**16.50**	16.12
Interest expense on lease liabilities	**4.43**	5.74
Total	**20.93**	21.86

Expenses related to short term leases and low value leases recognized in the statement of Profit & Loss.

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Rent expense	**1.95**	2.58
Total	**1.95**	2.58

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 3: CAPITAL WORK IN PROGRESS

(₹ in millions)

Details of Assets	Capital Work in Progress Others	Total
Gross Carrying Amount		
Balance as at March 31, 2024	**81.60**	**81.60**
Additions	88.70	88.70
Disposal/Capitalised during the year	101.86	101.86
Balance as at March 31, 2025	**68.44**	**68.44**
Additions	630.29	630.29
Disposals/Capitalised	665.74	665.74
Balance as at March 31, 2026	**32.99**	**32.99**
Net Carrying Amount		
Balance as at March 31, 2024	**81.60**	**81.60**
Balance as at March 31, 2025	**68.44**	**68.44**
Balance as at March 31, 2026	**32.99**	**32.99**

Note:

1. During the year, the Company capitalized borrowing costs amounting to ₹ 18.79 millions (Previous year: ₹ 5.46 millions) to the cost of qualifying assets.

   Of the total capitalized amount, ₹ 18.41 millions (Previous year: ₹ 0.33 millions) pertains to specific borrowings directly attributable to the acquisition/construction of a qualifying asset.

   The remaining ₹ 0.38 millions (Previous year: 2.19 millions) was capitalized from general borrowings, applying a capitalization rate of 9.03 % per annum (Previous year: 9.49%)

   During the year ended March 31, 2026, ₹ 18.79 millions of borrowing costs are transferred from Capital Work in Progress to PPE.

2. The details of property, plant and equipment which have been kept as security are disclosed in Note No. 22 and 25 of the Financial Statements.

NOTE 4: INTANGIBLE ASSETS

(₹ in millions)

Details of Assets	Technical Knowhow	Computer Software	Product Development	Total
Gross carrying amount				
Balance as at March 31, 2024	**66.57**	**25.71**	**124.41**	**216.70**
Additions	10.65	3.22	91.06	104.93
Disposals	-	-	-	-
Balance as at March 31, 2025	**77.22**	**28.93**	**215.48**	**321.63**
Additions	-	12.63	33.62	46.24
Disposals	-	-	6.54	6.54
Balance as at March 31, 2026	**77.22**	**41.56**	**242.55**	**361.33**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Details of Assets	Technical Knowhow	Computer Software	Product Development	Total
Accumulated depreciation				
Balance as at March 31, 2024	**62.23**	**22.04**	**63.49**	**147.75**
Additions	1.28	2.12	13.86	17.26
Disposals	-	-	-	-
Balance as at March 31, 2025	**63.51**	**24.16**	**77.35**	**165.01**
Additions	2.75	2.39	28.32	33.46
Disposals	-	-	6.54	6.54
Balance as at March 31, 2026	**66.25**	**26.55**	**99.13**	**191.93**
Net carrying amount				
Balance as at March 31, 2024	**4.34**	**3.68**	**60.92**	**68.94**
Balance as at March 31, 2025	**13.71**	**4.78**	**138.12**	**156.61**
Balance as at March 31, 2026	**10.97**	**15.01**	**143.42**	**169.40**

Note:

1. The amortization expense of intangible assets has been included under Note 36 in the Statement of Profit and Loss.
2. Borrowing costs of ₹ Nil have been capitalized for the year ended March 31, 2026 (Previous year ₹ 9.44 millions)

NOTE 5: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in millions)

Details of Assets	Technical Knowhow	Computer Software	Product Development	Total
Gross carrying amount				
Balance as at March 31, 2024	**9.78**	**-**	**133.03**	**142.81**
Additions	0.66	0.98	56.47	58.11
Capitalised during the year	9.78	-	138.26	148.04
Balance as at March 31, 2025	**0.66**	**0.98**	**51.24**	**52.89**
Additions	-	9.39	41.66	51.05
Disposals/capitalised	-	6.35	38.80	45.15
Balance as at March 31, 2026	**0.66**	**4.03**	**54.10**	**58.79**
Net carrying amount				
Balance as at March 31, 2024	**9.78**	**-**	**133.03**	**142.81**
Balance as at March 31, 2025	**0.66**	**0.98**	**51.24**	**52.89**
Balance as at March 31, 2026	**0.66**	**4.03**	**54.10**	**58.79**

NOTE 6: NON-CURRENT INVESTMENTS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments measured at Fair value through Profit & Loss		
Fully paid equity shares (unquoted)*		
Apna Sahakari Bank Ltd.	**0.75**	0.75
TJSB Sahakari Bank Ltd.	**0.50**	0.50
Saraswat Co operative Bank Ltd.	**0.03**	0.03

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments Measured at Cost		
Investments in Equity shares of Subsidiary companies		
Unquoted & Fully Paid-up		
Hirect FZ-LLC	**2.91**	2.91
(125 Equity Shares of AED 1,000 each, previous year 125 Equity Shares of AED 1,000 each)		
Coincade Studios Private Limited	**3.99**	-
(3,99,700 Equity Shares of ₹ 10 each)		
Elventive France	**69.50**	-
(6,60,000 Equity Shares of EUR 1 each)		
In preference share of Subsidiary company		
Elventive France	**105.30**	-
(10,00,000 Preference Shares of EUR 1 each, 3.5 % irredeemable preference shares)		
TOTAL	**182.98**	4.19

Note: *Since the Investments consists of Shares taken for loan, the fair value of investments is equal to the cost of the investments.

NOTE 7: LOANS - NON CURRENT

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets valued at Amortized Cost		
Unsecured, Considered Good		
Staff Loans	**-**	0.01
TOTAL	**-**	0.01

Note: No Loan is due from directors or other officers of the Company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

NOTE 8: OTHER NON CURRENT FINANCIAL ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets valued at Amortized Cost		
Unsecured, Considered Good		
Security Deposits Given to Government & Other Bodies	**13.64**	8.36
Retention Money	**2.53**	3.62
Earnest Money Deposits	**49.20**	3.56
Bank deposits with more than 12 months maturity	**-**	99.00
TOTAL	**65.37**	114.54

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 9: DEFERRED TAX LIABILITY (NET)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets	**282.59**	50.38
Deferred Tax Liability	**328.71**	77.00
MAT Credit Entitlement	**-**	11.31
TOTAL	**(46.12)**	(15.31)

*Refer note no. 38

NOTE 10: OTHER NON-CURRENT ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances	**29.46**	191.13
Rental Security Deposit	**4.27**	3.87
TOTAL	**33.73**	195.00

NOTE 11: INVENTORIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Materials and components (Including Packing material)	**723.62**	643.13
Work-in-progress	**504.09**	532.15
Finished goods	**92.36**	9.84
Stores and Spares	**2.15**	0.61
Loose Tools and Instruments	**26.43**	20.54
Stock of Scrap	**4.15**	1.05
TOTAL	**1,352.80**	1,207.32

Note:

i. Refer Note 1 on Financial Statements for Accounting Policy of Inventory Valuation.

ii. Refer Note 22 & 25 of Financial Statements for Inventories on hypothecation as security.

iii. Inventory write downs are accounted, considering the nature of inventory, ageing, and net realizable value. Write-downs of inventories as on closing date amounted to ₹ 45.00 millions as at March 31, 2026 (as at 31st March,2025 ₹ 34.11 millions). Write-downs were recognized as an expense and included in 'Cost of materials consumed' and 'changes in inventories of finished goods, work-in-progress and stock-in-trade' in the Statement of Profit and Loss.

iv. The Company has availed working capital facilities, other non fund based facilities and long term borrowings against which some of the borrowings are secured by hypothecation of inventories.

v. The above includes goods in transit as under:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Materials and components (Including Packing material)	**40.01**	59.42
Finished goods	**55.32**	0.10
TOTAL	**95.33**	59.51

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 12: TRADE RECEIVABLES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good - Secured	**0.30**	0.32
Less: Allowance for Expected Credit Loss	**-**	
Trade Receivables considered good - Unsecured	**2,213.16**	1,068.29
Less: Allowance for Expected Credit Loss	**-**	-
Trade Receivables which have significant increase in Credit risk	**90.45**	108.34
Less: Allowance for Expected Credit Loss	**(32.94)**	(81.45)
Trade receivables - credit impared	**-**	-
Less: Allowance for Expected Credit Loss	**-**	-
TOTAL	**2,270.97**	1,095.50

Note: No Trade Receivable is due from directors or other officers of the Company either severally or jointly with any other person.

Trade Receivable due from firms or private companies in which any director is a partner or a director or a member is ₹ 41.55 millions as on March 31, 2026 (₹ 48.97 millions as on March 31, 2025)

Trade Receivables are non interest bearing and are generally on terms of 30 to 120 days of credit period, except retention money which is due after certain period/event.

Trade Receivables ageing schedule - March 2026

(₹ in millions)

Particulars	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
(i) Undisputed Trade receivables – considered good	1,848.60	352.28	4.92	7.66	-	-	**2,213.46**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	49.19	10.42	1.04	10.72	**71.37**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	0.37	0.37	1.70	5.21	11.44	**19.08**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Less: Allowance for Expected Credit Loss							**(32.94)**
TOTAL							**2,270.97**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Trade Receivables ageing schedule - March 2025

(₹ in millions)

Particulars	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
(i) Undisputed Trade receivables – considered good	706.61	354.42	7.58	-	-	-	**1,068.61**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	20.84	10.73	1.05	12.67	**45.29**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	7.06	33.57	7.09	5.00	10.33	**63.05**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Less: Allowance for Expected Credit Loss							**(81.45)**
TOTAL							**1,095.50**

NOTE 13: CASH AND CASH EQUIVALENTS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Balances with banks		
In Current Account	**3.19**	2.89
b. Cash on hand	**0.02**	0.05
TOTAL	**3.21**	2.94

NOTE 14: OTHER BANK BALANCES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Balances with banks		
In Unclaimed Dividend Account	**9.34**	5.24
In Margin Account*	**1.14**	2.91
b. Fixed Deposits (Earnest Money Deposits)	**0.21**	0.26
TOTAL	**10.69**	8.41

*Pledged against BG & CC Limit

NOTE 15: OTHER CURRENT LOANS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets valued at Amortized Cost		
Unsecured, Considered Good		
Staff Loans	**0.05**	0.63
TOTAL	**0.05**	0.63

Note: No Loan is due from directors or other officers of the Company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 16: OTHER CURRENT FINANCIAL ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets carried at Amortized Cost		
Earnest Money Deposits	**3.60**	59.02
Less: Provision for Doubtful Amounts	**(0.96)**	(0.82)
Retention Money	**31.94**	31.61
Less: Provision for Doubtful Amounts	**(5.59)**	(2.83)
Interest Income accrued but not due	**0.97**	0.69
Advance to France Court for bidding	**81.07**	-
Due from Subsidiary	**7.21**	-
Fixed Deposits with Bank	**68.00**	-
TOTAL	**186.24**	87.67

NOTE 17: CURRENT TAX LIABILITIES (NET)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Tax (Net of Advance Tax/Tax Deducted at Source)	**11.88**	23.46
TOTAL	**11.88**	23.46

NOTE 18: OTHER CURRENT ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with GST, Customs and Port Trust etc.	**29.94**	25.88
Advance to Staff	**0.15**	0.74
Advance to Others	**26.16**	17.14
Incentive Income accrued	**29.73**	13.33
Unbilled Service Revenue	**82.91**	70.27
Advance to Suppliers	**71.42**	118.68
Less: Provision for Doubtful Amounts	**(11.80)**	(11.06)
TOTAL	**228.51**	234.98

NOTE 19: ASSETS HELD FOR SALE

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Land	**12.34**	12.34
Building	**19.76**	19.76
Plant and Machinery	**0.24**	0.47
TOTAL	**32.34**	32.57

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 20: EQUITY SHARE CAPITAL

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized Capital		
5,00,00,000 Equity Shares of ₹ 2/- each (Previous year 5,00,00,000 Equity Shares of ₹ 2/- each)	**100.00**	100.00
Issued Capital		
3,43,67,614 Equity Shares of ₹ 2/- each (Previous year 1,71,62,675 Equity Shares of ₹ 2/- each)	**68.74**	34.33
TOTAL	**68.74**	34.33
Subscribed and Paid up Capital		
3,43,67,614 Equity Shares of ₹ 2/- each (Previous year 1,71,62,675 Equity Shares of ₹ 2/- each)	**68.74**	34.33
TOTAL	**68.74**	34.33

a. The details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% held	No. of shares	% held
Mr. Suramya Nevatia	**51,49,536**	**14.98**	25,74,768	15.00
Mr. Saurabh Nevatia	**72,16,876**	**21.00**	36,08,438	21.02
BTR Industries Limited	**48,00,000***	**13.97**	24,00,000	13.98

*includes 24,00,000 bonus equity shares allotted on March 30, 2026. The said equity shares are lying in the Demat Suspense Escrow Account in compliance with the Reg.294(6) of SEBI ICDR Regulations.

b. Reconciliation of number of shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of shares	₹ In millions	No of shares	₹ In millions
Equity Shares at the beginning of the year	**1,71,62,675**	**34.33**	1,71,37,860	34.28
Add: Shares Issued during the year			24,815	0.05
Add: Shares Issued on exercise of stock opitions	**21,132**	**0.04**		
Less: Shares bought back during the year	**-**	**-**	-	-
	1,71,83,807	**34.37**	1,71,62,675	34.33
Add: Allotment of Bonus Shares	**1,71,83,807**	**34.37**		
Equity Shares at the end of the year	**3,43,67,614**	**68.74**	1,71,62,675	34.33

c. Shareholding of Promoters

Name of Shareholder	As at March 31, 2026		As at March 31, 2025	
	No of shares	% of total shares	No of shares	% of total shares
Saurabh Nevatia	**72,16,876**	**21.00**	36,08,438.00	21.02
Suramya Saurabh Nevatia	**51,49,536**	**14.98**	25,74,768.00	15.00
Suryansh Saurabh Nevatia	**9,57,000**	**2.78**	4,72,000.00	2.75
Shriya Saurabh Nevatia	**7,20,400**	**2.10**	3,55,200.00	2.07
Bharti Nevatia	**5,42,200**	**1.58**	2,71,100.00	1.58
Surabhi Golyan	**5,00,000**	**1.45**	2,50,000.00	1.46
Saurabh Nevatia HUF	**-**	**-**	11,500.00	0.07
Akshada S Nevatia	**11,700**	**0.03**	5,850.00	0.03
TOTAL	**150,97,712**	**43.92**	75,48,856.00	43.98

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Note:

1. The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.
2. Equity shares movement during the period of five years immediately preceding the date at which the Balance Sheet is prepared
   (a) The aggregate number of sweat equity shares issued pursuant to contract, without payment being received in cash, in immediately preceding five years ended on March 31, 2026: - 5,50,000 shares issued in 2022-23.

   (Previous period of five years ended March 31, 2023: - 5,50,000 shares issued in 2022-23)

   (b) The Company has not bought back any shares during the period of five years immediately preceding March 31, 2026. (Previous period of five years ended March 31, 2025: - Nil)

   The Company has issued 1,71,83,807 bonus shares during the year ended March 31, 2026 (Previous period of five years ended March 31, 2025: - Nil).

   (c) 21,132 ESOP options exercised during the year and 24,815 ESOP options excercised during previous year.

NOTE 21: OTHER EQUITY

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium		
Opening Balance	**230.86**	226.22
Add: ESOP Exercised (Proceeds received)	**4.00**	4.64
Less: Bonus shares issued	**(34.37)**	
Closing Balance	**200.49**	230.86
Note: Securities Premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.		
General Reserve		
Opening Balance	**655.84**	655.42
Add: Transferred from ESOP Reserve	**-**	0.43
Closing Balance	**655.84**	655.84
Note: General Reserve is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.		

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Share based payment reserve		
Opening balance	**3.36**	5.59
Less: Options Excercised	**(2.24)**	(2.58)
Less: Options Lapsed	**-**	(0.43)
Add: ESOP expenses recognized during the year	**5.42**	0.78
Closing Balance	**6.54**	3.36
Share Warrant Application money		
Opening balance	**-**	-
Add: Share warrant application money received	**68.41**	-
Closing Balance	**68.41**	-
Other Comprehensive Income reserve		
Opening balance	**4.97**	5.00
Actuarial Gains/(Loss) on post-employment defined benefit plan	**(7.58)**	(0.05)
Tax on above	**1.91**	0.02
Closing Balance	**(0.70)**	4.97
Note: Other Comprehensive Income reserve refers to a component of shareholders' equity that accumulates the gains and losses recognized in Other Comprehensive Income (OCI) in the Statement of Profit and Loss.		
Retained Earnings		
Opening balance	**670.93**	318.79
Add: Profit for the period	**576.71**	372.71
Less: Transferred to Other Comprehensive Income reserve	**-**	-
Less: Dividend	**(34.32)**	(20.57)
Closing Balance	**1,213.32**	670.93
Note: Retained Earnings represents the statement of Profit and Loss of the Company. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.		
TOTAL	**2,143.90**	1,565.96

NOTE 22: NON CURRENT BORROWINGS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities carried at amortized cost		
SECURED		
i. Term Loan	**318.49**	272.24
(refer note a below)		
ii. Vehicle Loan	**6.55**	11.76
(refer note b below)		
TOTAL	**325.04**	284.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Notes:

a.

(₹ in millions)

Particulars	Security	As at March 31, 2026	As at March 31, 2025
Loan from IDFC Bank Sanctioned amount of ₹ 600 lakhs and disbursed amount till March 31, 2026 is ₹ 448.32 lakhs. Repayable in tranchewise 16 equal quarterly instalments and moratorium of 1 year starting from September 22.	Secured by way of first pari passu charge on all the moveable properties including plant and machinery, machinery spares, tools and accessories and other movables situated at Bhandup, Mumbai and also hypothecation of stocks and book debts of the Company and mortgage of the land and building situated at Bhandup, Mumbai.	**-**	7.33
Loan from Saraswat Bank (Sanctioned amount of ₹ 350 lakhs and disbursed amount till March 31, 2026 is ₹ 350 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from August 22.)	Secured by way of hypothecation of plant and machinery and other fixed assets installed at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc.at Satpur and Sinnar plant.	**2.55**	9.63
Loan from Saraswat Bank (Sanctioned amount of ₹ 750 lakhs and disbursed amount till March 31, 2026 is ₹ 750 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from October 22.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur and Sinnar plant.	**8.75**	23.75
Loan from Saraswat Bank (Sanctioned amount of ₹ 300 lakhs and disbursed amount till March 31, 2026 is ₹ 291.40 lakhs. Repayable in 84 monthly instalments including moratorium of 12 months starting from July 2023.)	Secured by way of mortgage of land and building situated at Plot No. 110 & 111, Satpur MIDC, Nashik.	**10.88**	15.86
Loan from Saraswat Bank (Sanctioned amount of ₹ 600 lakhs and disbursed amount till March 31, 2026 is ₹ 600.00 lakhs. Repayable in 84 monthly instalments including moratorium of 12 months starting from July 2023.)	Secured by way of hypothecation of plant and machinery situated at Sinnar and collateral security of Satpur land and building situated at Plot No. 110 & 111, Satpur MIDC, Nashik.	**23.35**	33.34
Loan from Saraswat Bank (Sanctioned amount of ₹ 800 lakhs and disbursed amount till March 31, 2026 is ₹ 800 lakhs. Repayable in 50 monthly instalments starting from February 2024.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**19.1**	38.06

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	Security	As at March 31, 2026	As at March 31, 2025
Loan from Saraswat Bank (Loan of ₹ 220 lakhs. Repayable in 69 monthly instalments starting from November 2025 including moratorium of 9 months starting from February 2025.)	Secured by hypothecation of plant and machinery at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**16.16**	-
Loan from Saraswat Bank (Loan of ₹ 1650 lakhs. Repayable in 69 monthly instalments starting from November 2025 including moratorium of 9 months starting from February 2025.)	Secured by hypothecation of plant and machinery at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**115.96**	77.92
Loan from Saraswat Bank (Loan of ₹ 1475 lakhs. Repayable in 69 monthly instalments starting from December 2025 including moratorium of 9 months starting from March 2025.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**110.75**	49.37
Loan from Saraswat Bank (Loan of ₹ 55 lakhs. Repayable in 69 monthly instalments starting from February 2026 including moratorium of 9 months starting from May 2025.)	Secured by hypothecation of plant and machinery at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**4.24**	-
Loan from Apna Sahakari Bank (Sanctioned amount of ₹ 150 lakhs and disbursed amount till March 31, 2026 is ₹ 150 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from August 22.)	Secured by way of hypothecation of plant and machinery and other fixed assets installed at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc.at Satpur and Sinnar plant.	**1.82**	4.68
Loan from Apna Sahakari Bank (Sanctioned amount of ₹ 350 lakhs and disbursed amount till March 31, 2026 is ₹ 350 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from October 22.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur and Sinnar plant.	**4.93**	12.30
TOTAL		**318.49**	**272.24**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

b. Vehicle Loan

(₹ in millions)

Particulars	Security	As at March 31, 2026	As at March 31, 2025
Vehicle Loan from TJSB Sahakari Bank Ltd - Loan of ₹ 12.96 lakhs. Repayable in 84 monthly instalments starting from January 2024.	Secured by hypothecation of Motor Car No. MH-15-JM-7893 .	**-**	0.97
Vehicle Loan from ICICI Bank - Loan of ₹ 50 lakhs. Repayable in 36 monthly instalments starting from Mar 2024.	Secured by hypothecation of Motor Car No. MH-04-KR-00-99.	**-**	1.72
Vehicle loan from Mercedes - Loan of ₹ 130 lakhs. Repayable in 60 monthly instalments starting from July 2024	Secured by hypothecation of Motor Car No. MH-01-ER-4070.	**6.55**	9.07
TOTAL		**6.55**	**11.76**

The Company's non-current borrowings detailed above are not subject to any financial covenants. The right to defer repayment of these borrowings beyond twelve months from the reporting date is pursuant to the contractual repayment schedules as set out above and is substantive as at March 31, 2026.

NOTE 23: OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities carried at amortized cost		
Dealership Deposit	**0.80**	0.80
TOTAL	**0.80**	0.80

NOTE 24: NON CURRENT PROVISIONS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits		
Provision for Gratuity (refer note 58)	**29.34**	24.61
Provision for Leave encashment	**16.85**	6.25
Provision for Warranty (refer note 63)	**17.61**	21.65
TOTAL	**63.80**	52.51

NOTE 25: CURRENT BORROWINGS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities carried at amortized cost		
SECURED		
a. Loan from Banks		
i) Cash Credit	**1,680.67**	1,115.95
ii) Overdraft (for EMD)	**78.69**	87.29
b. Current maturities of long term debt	**138.40**	102.57
TOTAL	**1,897.76**	1,305.81

Note:

1. Cash credit secured by first charge against all movable and immovable assets both present and future situated at Bhandup, Mumbai and also by hypothecation of stocks and book debts of the Company ranking pari- passu in favor of ICICI Bank Ltd, Standard Chartered Bank, TJSB Sahakari Bank Ltd, CITI Bank and IDFC First Bank Limited.
2. Overdraft secured by first charge against all movable and immovable assets both present and future situated at Bhandup, Mumbai and also by hypothecation of stocks and book debts of the Company and also tender deposits/earnest money deposits paid by the Company ranking pari- passu in favor of Standard Chartered Bank and TJSB Sahakari Bank Ltd.
3. Current maturities of long term debt includes the amounts repayable within a period of one year in respect of Non Current Borrowings in Note 22 of the Financial Statements.

NOTE 26: TRADE PAYABLES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	**29.07**	14.30
Total outstanding dues of creditors other than micro and small enterprises	**1,088.47**	584.86
TOTAL	**1,117.54**	599.16

Note: Also refer Note 45 of Financial Statements

Ageing Schedule of Trade Payables as at March 2026

(₹ in millions)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2-3 Years	More than 3 years	Total
(i) MSME	29.07	-	-	-	-	**29.07**
(ii) Others	240.32	836.46	7.21	0.33	4.16	**1,088.47**
(iii) Disputed dues – MSME	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	**-**
						1,117.54

Ageing Schedule of Trade Payables as at March 2025

(₹ in millions)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2-3 Years	More than 3 years	Total
(i) MSME	14.30	-	-	-	-	**14.30**
(ii) Others	236.53	322.73	11.75	8.21	5.64	**584.86**
(iii) Disputed dues – MSME	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	**-**
						599.16

The Company participates in a Trade Receivables Discounting System (TReDS) platform — an RBI-regulated electronic platform — to facilitate early payment to its MSME vendors. Under the arrangement, the Company upload invoices on the TReDS platform; a financier (bank/NBFC-Factor) pays the MSME and charges interest from the Company; and the Company settles the amount due directly to the financier on the original invoice due date or agreed date. The carrying amount of MSME trade payables that are part of this arrangement as at March 31, 2026 is ₹ 57.34 million (March 31, 2025: Nil). Refer Note 73 for further disclosures as required under Ind AS 7 and Ind AS 107.

NOTE 27: OTHER CURRENT FINANCIAL LIABILITIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities valued at amortized cost		
Interest Accrued But not Due	**6.50**	1.81
Unclaimed Dividend	**9.30**	5.20
Sundry Creditors for Capital Goods	**55.24**	7.52
Provision for Bonus	**2.54**	7.34
Due to Subsidiary	**-**	1.32
Other payables	**142.97**	104.89
TOTAL	**216.55**	128.08

NOTE 28: OTHER CURRENT LIABILITIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances		
Advance from Customers	**33.45**	37.74
Amount received against sale of assets	**30.79**	-
Others		
Statutory Liabilities	**79.41**	34.81
TOTAL	**143.65**	72.55

NOTE 29: CURRENT PROVISIONS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits		
Provision for Gratuity (refer note 58)	**5.62**	3.11
Provision for Leave encashment	**2.38**	1.19
Provision for Warranty (refer note 63)	**45.07**	36.67
TOTAL	**53.07**	40.97

NOTE 30: REVENUE FROM OPERATIONS

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of Products	**9,227.92**	6,313.63
Sale of Services	**244.42**	228.82
Other Operating Income		
Government incentives	**18.17**	9.60
Export Incentives	**1.61**	1.62
TOTAL	**9,492.12**	6,553.67

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Note: Break up of revenue (excluding other operating income) into over a period of time and at a point in time:

(₹ in millions)

Particulars	Over a period of time			At a point of time		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
March 31, 2026	**234.47**	**-**	**234.47**	**9,237.87**	**-**	**9,237.87**
March 31, 2025	219.88	-	219.88	6,322.57	-	6,322.57

The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Transaction price allocated to the remaining performance obligation:		
1. Unexecuted order value	**8,455.22**	8,932.19
2. Expected conversion in revenue -		
a. Upto 1 year	**8,297.33**	8,195.37
b. More than 1 year	**157.89**	736.82

Movement in Contract Assets

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	**70.27**	37.40
Balance at the end of the year	**82.91**	70.27
Net Increase/(Decrease)	**12.64**	32.87

During the current year, increase in net contract balances is primarily due to higher revenue recognition as compared to progress bills raised.

Reconciliation of revenue recognized with the contracted price is as follows:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contracted price	**9,073.95**	6,291.45
Increase/(Decrease) towards variable consideration components	**398.39**	251.00
Revenue recognized	**9,472.34**	6,542.45

NOTE 31: OTHER INCOME

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest Income	**3.92**	2.69
Interest Income on rental security deposits	**0.40**	0.34
Dividend Income	**0.08**	0.08
Other Non Operating Income		
Credit Balance Written Back	**0.43**	0.71
Rent Income	**0.12**	-
Misc income	**0.01**	-
Exchange fluctuation	**4.67**	1.85
Profit on sale of assets	**-**	9.14
TOTAL	**9.63**	14.81

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 32: COST OF MATERIALS CONSUMED

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock of Raw Materials	**641.84**	611.19
Add: Purchases of Raw Materials	**6,937.91**	4,720.71
Add: Conversion and Processing Charges	**354.67**	323.92
Less: Transferred to/from CWIP & others from Opening stock of Raw Materials	**11.77**	(2.90)
Total	**7,946.19**	5,652.92
Less: Closing Stock of Raw Materials	**722.54**	641.84
TOTAL	**7,223.65**	5,011.08

NOTE 33: CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Inventory		
Finished Goods	**9.84**	47.72
Work-In-Progress	**532.15**	290.57
	541.99	338.29
Closing Inventory		
Finished Goods	**92.36**	9.84
Work-In-Progress	**504.09**	532.15
	596.45	541.99
Add/(Less) Trfd to CWIP	**4.13**	(24.53)
TOTAL	**(50.33)**	(228.23)

NOTE 34: EMPLOYEE BENEFITS EXPENSE

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, Wages, Bonus, Gratuity etc.	**736.16**	599.80
Employee Stock option Cost	**5.42**	0.78
Contribution to Provident Fund, Superannuation, Employees State Insurance Scheme	**28.61**	18.06
Staff Welfare Expenses	**18.76**	13.95
TOTAL	**788.95**	632.59

NOTE 35: FINANCE COSTS

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on Financial Liabilities measured at amortized cost		
Interest on Bank borrowings	**129.33**	95.94
Other Interest	**1.71**	0.40
Interest on Term Loan	**23.03**	29.84
Interest on lease liability	**4.43**	5.74
TOTAL	**158.50**	131.92

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 36: DEPRECIATION AND AMORTIZATON EXPENSE

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, Plant & Equipment	**76.39**	51.49
Amortization on Intangible assets	**33.46**	17.26
Depreciation on Right to use Assets	**16.50**	16.12
TOTAL	**126.35**	84.87

NOTE 37: OTHER EXPENSES

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumable Stores, Tools and Instruments	**26.89**	22.34
Electricity, Water and Fuel Charges	**58.84**	48.55
Packing Expenses	**39.25**	30.04
Repairs		
To Machinery	**7.94**	6.68
To Building	**6.97**	0.55
To Other Assets	**5.76**	4.31
Rent	**1.95**	2.58
Rates and Taxes	**2.27**	2.25
Insurance	**5.08**	3.78
Travelling, Conveyance and Vehicle Expenses	**80.59**	58.90
Directors' Travelling, Conveyance and Sitting Fees	**1.71**	1.00
Printing and Stationery	**2.39**	2.69
Postage, Telegram and Telex	**3.41**	4.39
Advertisement and Publicity	**9.88**	13.56
Bad Debts	**20.35**	7.96
Liquidated Damages	**106.52**	28.91
Provision for doubtful debts	**(48.51)**	40.26
Commission	**2.13**	-
Legal and Professional Charges	**55.44**	27.65
Payment to Auditors (refer note 40)	**2.07**	1.62
Transit Insurance and Freight	**26.70**	26.35
Bank Charges	**5.37**	5.01
Warranty Expenses	**45.13**	32.70
Miscellaneous Expenses (refer note 62)	**36.69**	61.46
TOTAL	**504.82**	433.54

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 38: TAX EXPENSES

Income Tax Expenses Recognized in the Statement of Profit & Loss

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax		
Current Tax on taxable Income for the year	**129.58**	179.00
MAT Credit (taken)/utilized	**(11.30)**	(37.57)
Earlier year tax	**13.45**	(10.26)
Total Current Tax Expense	**131.73**	131.17
Deferred Tax		
Deferred Tax Charge/(Credit)	**21.41**	(1.17)
Total Deferred Tax expense/(benefit)	**21.41**	(1.17)
Total tax expense recognized in Statement of Profit and Loss	**153.14**	130.00

Income Tax Expenses Recognized in Other Comprehensive Income

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Tax on Other Comprehensive Income/Loss	**(1.91)**	(0.01)
TOTAL	**(1.91)**	(0.01)

A reconciliation of the Income Tax expenses to the amount computed by applying the statutory income tax rate to the profit before Income taxes is summarized below:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Enacted Income tax rate in India applicable to the Company	**25.17%**	29.12%
Profit before tax	**729.85**	502.71
Current tax expense on Profit before tax expenses at the enacted income tax rate in India	**183.69**	146.39
Tax effects of the amounts which are not deductible/(taxable) in calculating taxable income		
Add/Less:-		
Tax rate change on deferred tax asset	**(3.61)**	-
Permanent Deductions	**(40.39)**	(6.15)
Income tax of earlier years	**13.46**	(10.26)
Others	**(0.01)**	0.02
TOTAL	**153.14**	130.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

The movement in deferred tax assets and liabilities during the year ended March 31, 2026 and March 31, 2025:

(₹ in millions)

Particulars	Deferred Tax Asset/ (Liabilities) as on March 31, 2024	Payment	Transfer from Current tax assets	Credit/ (charge) in Statement of Profit & Loss	Credit/ (charge) in Other Comprehensive Income	Deferred Tax Asset/ (Liabilities) as on March 31, 2025	Payment	Transfer from Current tax assets	Credit/ (charge) in Statement of Profit & Loss	Credit/ (charge) in Other Comprehensive Income	Deferred Tax Asset/ (Liabilities) as on March 31, 2026
Depreciation	(65.57)	-	-	(11.43)	-	(77.00)	-	-	(5.74)	-	**(82.74)**
Disallowance under Income Tax Act with respect to Employee Benefits	11.17	-	0.01	1.21	0.01	12.40	-	-	1.92	1.91	**16.22**
Provision	15.54	-	-	12.46	-	28.00	-	-	(15.10)	-	**12.90**
ESOP Expenses	0.30	-	-	0.68	-	0.98	-	-	0.67	-	**1.65**
VRS expenses	10.46	-	-	(2.62)	-	7.84	-	-	(3.33)	-	**4.51**
Right to use assets and lease liabilities	0.30	-	-	0.87	-	1.17	-	-	0.17	-	**1.34**
Loss of Earlier years	-	-	-	-	-	-	-	-	-	-	**-**
MAT Credit Entitlement	48.87	-	-	(37.57)	-	11.30	-	-	(11.30)	-	**-**
TOTAL	**21.07**	**-**	**0.01**	**(36.40)**	**0.01**	**(15.31)**	**-**	**-**	**(32.71)**	**1.91**	**(46.12)**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 39:

Pursuant to section 115BAA of the Income Tax Act, 1961, the Company has opted for the concessional effective tax rate of 25.168% (inclusive of applicable surcharge and cess) from F.Y.2025-26 (A.Y.2026-27).

Consequently, the Company has computed it's current tax liability and deferred tax assets for the year based on the reduced tax rate as prescribed under Section 115BAA. Accordingly, the MAT Credit Entitlement recognized in the earlier periods has been reversed and written off during the current period amounting to ₹ 0.11 million.

NOTE 40: PAYMENT TO AUDITORS (EXCLUDING GST)

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
As Auditor	**1.60**	1.20
For Tax Audit	**0.15**	0.15
For Certification	**0.08**	0.04
For out of Pocket expenses	**0.24**	0.23
TOTAL	**2.07**	1.62

NOTE 41: EARNINGS PER SHARE

a. EPS on Profit after tax and before exceptional items

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit after tax and before exceptional items as per Statement of Profit & Loss	**596.67**	372.71
Weighted Average Number of Equity Shares Outstanding during the year	**3,43,53,835**	3,42,96,388
Basic Earnings per Share (₹)	**17.37**	10.87
Weighted Average Number of Equity Shares Outstanding adjusted for effect of dilution.	**3,44,95,621**	3,43,55,913
Diluted Earnings per Share (₹)	**17.30**	10.85

b. EPS on Profit after tax

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit after taxation as per Statement of Profit & Loss	**576.71**	372.71
Weighted Average Number of Equity Shares Outstanding during the year	**3,43,53,835**	3,42,96,388
Basic Earnings per Share (₹)	**16.79**	10.87
Weighted Average Number of Equity Shares Outstanding adjusted for effect of dilution.	**3,44,95,621**	3,43,55,913
Diluted Earnings per Share (₹)	**16.72**	10.85

c. Reconciliation of Weighted Average Number of Shares Outstanding

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS#	**3,43,53,835**	3,42,96,388
Total Weighted Average Potential Equity Shares*	**1,41,786**	59,525
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	**3,44,95,621**	3,43,55,913

*Dilutive impact of Employee Stock Option Plan and Share Warrants

#The weighted average number of equity shares for the year ended March 31, 2026 has been restated to give effect to the bonus issue of equity shares in the ratio of 1:1 approved by the Company with record date of March 27, 2026, in accordance with IND AS 33 - Earnings per share.

NOTE 42:

The Company has spent ₹ 6.75 millions during the financial year (Previous year ₹ Nil) as per the Provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities.

a. Gross amount required to be spent during the year ₹ 5.22 millions (Previous year ₹ 2.12 millions)

b. Excess amount spent in 2025-26 to be carried forward ₹ 1.53 millions (Previous year ₹ Nil)

The details of funds primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013 are as follows:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the Company during the year	**5.22**	2.12
Amount of Expenditure incurred	**6.75**	-
Amount carried forward	**1.53**	-
Excess spent of previous year utilized	**-**	2.12
Excess CSR Amount spent in 2022-23 - ₹ 0.56 millions	**-**	-
Excess CSR Amount spent in 2021-22 - ₹ 1.56 millions	**-**	-
Shortfall at the end of the year	**-**	-
Total of previous years shortfall	**-**	-
Nature of CSR activities	Skill Development	
Details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	**-**	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	**NA**	NA

NOTE 43: INTANGIBLE ASSETS UNDER DEVELOPMENT- PRODUCT DEVELOPMENT

During the year, the Company has incurred an expenditure of ₹ 41.65 millions on the development of various Products/Machinery and completed the development process of the Products of ₹ 33.62 millions (including ₹ 25.73 millions incurred up to March 31, 2025) and the balance of ₹ 54.10 millions (including ₹ 22.46 millions incurred up to March 31, 2025) related to the products still under development is clubbed under Intangible Assets under Development.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 44: RESEARCH AND DEVELOPMENT

The recurring expenditure of ₹ 145.09 millions (Previous year ₹122.61 millions) and Capital Expenditure of ₹ 90.06 millions (Previous Year ₹ 58.85 millions) spent in Research and Development during the year have been debited to respective account.

NOTE 45: TRADE PAYABLES

The details of amounts due to Micro and Small enteprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on the information available with the Company are as under:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Principal Amount Due and remaining unpaid	**-**	-
Interest Due on above and unpaid interest	**-**	-
Interest paid	**-**	-
Payment made beyond the appointed day during the year	**147.57**	-
Interest due and payable for the period of delay	**0.99**	-
Interest accrued and remaining unpaid	**0.99**	-
Amount of further interest remaining due and payable in succeeding years	**0.99**	-

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

The Company has onboarded the Trade Receivables Discounting System (TReDS) platform in compliance with the Ministry of MSME notification mandating companies with annual turnover exceeding ₹ 250 crore to register on TReDS. Under the arrangement, the Company upload invoices on the TReDS platform; a financier (bank/NBFC-Factor) pays the MSME and charges interest from the Company; and the Company settles the amount due directly to the financier on the original invoice due date or agreed date. Refer Note 73 for disclosures required under Ind AS 7 and Ind AS 107 in respect of this arrangement.

NOTE 46: CONTINGENT LIABLITIES

Contingent Liabilities in respect of the following:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i. Claims against the Company not acknowledged as debt		
Claims of GST/Sales Tax disputed by Company	**10.04**	10.86
ii. Guarantees excluding financial guarantees		
Guarantee given by the banks to the third parties on behalf of the Company	**114.23**	101.40
iii. Other money for which the Company is contingently liable		
Letters of credit opened by the bankers of the Company in favor of the third parties	**57.68**	3.81
Claims not acknowledged by the Company	**-**	-

NOTE 47: COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for

Estimated amounts of contract remaining to be executed and not provided on account of Technical Knowhow ₹ Nil (Previous year ₹ Nil) and on account of Capital Purchase ₹ 102.86 millions (Previous year ₹ 251.56 millions)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 48: OTHER COMPREHENSIVE INCOME

Amounts recognized in Other Comprehensive Income i.e. Items that will not be reclassified to profit and loss in subsequent year includes Actuarial Gains/(Loss) on post-employment defined benefit plan (net of deferred tax)

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Actuarial Gains/(Loss) on post-employment defined benefit plan	**(7.58)**	(0.05)
Tax on above	**1.91**	0.01
Net Other Comprehensive Income/(Loss)	**(5.67)**	(0.04)

NOTE 49: FAIR VALUE HIERARCHY

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standards. An explanation of each level follows underneath the table:

Assets and liabilities measured at amortized cost and for which fair values are disclosed in the Financial Statements:

(₹ in millions)

	March 31, 2026			
	Fair value measurement using			
Particulars	Carrying Amount	Quoted Prices in active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FINANCIAL ASSETS				
Amortized cost				
Trade Receivables	**2,270.97**			
Cash and Cash Equivalents	**3.21**			
Other Bank Balances	**10.69**			
Loans	**0.05**			
Other Financial Assets	**251.61**			
FVTPL				
Investment in Equity Instruments*	**1.28**			1.28
Total Financial Assets	**2,537.81**			**1.28**
Financial Liabilities				
Amortized cost				
Borrowings	**2,222.80**			
Lease Liability	**37.27**			
Trade Payables	**1,117.54**			
Other Financial Liabilities	**217.35**			
Total Financial Liabilities	**3,594.96**			

*Investments in Equity Instruments does not include the investment in equity and preference shares of subsidiary since it is measured at cost.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Assets and liabilities measured at amortized cost and for which fair values are disclosed in the Financial Statements:

(₹ in millions)

	March 31, 2025			
	Fair value measurement using			
Particulars	Carrying Amount	Quoted Prices in active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FINANCIAL ASSETS				
Amortized cost				
Trade Receivables	1,095.50			
Cash and Cash Equivalents	2.94			
Other Bank Balances	8.41			
Loans	0.64			
Other Financial Assets	202.21			
FVTPL				
Investment in Equity Instruments*	1.28			1.28
Total Financial Assets	1,310.98			1.28
Financial Liabilities				
Amortized cost				
Borrowings	1,589.81			
Lease Liability	52.85			
Trade Payables	599.16			
Other Financial Liabilities	128.88			
Total Financial Liabilities	**2,370.70**			

*Investments in Equity Instruments does not include the investment in equity and preference shares of subsidiary since it is measured at cost.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Level 1 - Level 1 hierarchy includes Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares and preference shares included in level 3.

a) Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining Financial instruments is determined using discounted cash flow analysis.

NOTE 50:

All the title deeds of immovable properties are held in the name of the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 51: CAPITAL-WORK-IN PROGRESS (CWIP)

As on March 31, 2026

a. Capital-Work-in Progress (CWIP) ageing schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	23.32	9.67	-	-	32.99
Projects temporarily suspended	-	-	-	-	-
Total	**23.32**	**9.67**	**-**	**-**	**32.99**

b. Capital-Work-in Progress (CWIP) temporarily suspended completion schedule

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total	**-**	**-**	**-**	**-**	**-**

As on March 31, 2025

a. Capital-Work-in Progress (CWIP) ageing schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	60.16	-	-	-	60.16
Projects temporarily suspended	-	-	-	8.28	8.28
Total	**60.16**	**-**	**-**	**8.28**	**68.44**

b. Capital-Work-in Progress (CWIP) temporarily suspended completion schedule

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	-	8.28	-	-	8.28
Total	**-**	**8.28**	**-**	**-**	**8.28**

NOTE 52: INTANGIBLE ASSETS UNDER DEVELOPMENT

As on March 31, 2026

a. Intangible assets under development aging schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	34.31	10.20	6.57	7.71	58.79
Projects temporarily suspended	-	-	-	-	-
Total	**34.31**	**10.20**	**6.57**	**7.71**	**58.79**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

b. Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	26.90	-	-	-	26.90
Total	**26.90**	**-**	**-**	**-**	**26.90**

As on March 31, 2025

a. Intangible assets under development ageing schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	30.44	14.74	2.26	5.45	52.89
Projects temporarily suspended	-	-	-	-	-
Total	**30.44**	**14.74**	**2.26**	**5.45**	**52.89**

b. Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	19.55	-	-	-	19.55
Total	**19.55**	**-**	**-**	**-**	**19.55**

NOTE 53:

The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

NOTE 54:

Term loan taken from the banks are utilized for the purpose for which they were granted.

NOTE 55:

During the year, Company has not come across any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 56:

During the year, there was delay in the filing of the charges/satisfaction with the Registrar of Companies.

Particulars of Charges Not Registered with ROC Within Statutory Period:

Charge Instrument	Date of Creation	Due Date for Registration	Actual Date of Registration	Delay Period	Reasons for Delay
Auto Finance Loan	October 17, 2025	November 16, 2025	November 17, 2025	1 day	Delay from the end of Bank
Hypothecation	October 06, 2025	November 04, 2025	November 18, 2025	14 days	Delay from the end of Bank

Additional Information:

Penalties or Fees Paid: The Company has paid the requisite additional fees as prescribed under the Companies (Registration Offices and Fees) Rules, 2014, for the delayed registration of charges.

NOTE 57: RATIOS

Particulars	As at March 31, 2026	As at March 31, 2025	Change (%)	Reasons for change in ratios more than 25%
(a) Current Ratio (In Time) Formula: Current assets/Current Liabilities	**1.17**	1.21	(3.16)	--
(b) Debt-Equity Ratio (In Time) Formula: Debt (Borrowings plus lease liabilities) divided by Equity	**1.02**	1.03	(0.83)	--
(c) Debt Service Coverage Ratio (In Time) Formula: Earnings available for debt service (Profit Before Dep & Interest and after tax) divided by Debt Service (Interest payment+ Principal Repayment+Lease payment)	**2.97**	2.49	19.31	--
(d) Return on Equity Ratio (in %) Formula: Net profits after tax divided by Average shareholders equity	**30.25**	26.20	15.46	--
(e) Inventory turnover ratio (no of days) Formula: Revenue from Operations divided by Average Inventory	**65**	83	(21.53)	--
(f) Trade Receivables turnover ratio (no of days) Formula: Revenue from Operations divided by Average Trade Receivable	**55**	47	16.27	--
(g) Trade payables turnover ratio (no of days) Formula: Purchases divided by Average Trade Payables	**36**	33	10.33	--
(h) Net capital turnover ratio (In Time) Formula: Revenue from Operations divided by Working capital (Current assets less current liabilities)	**15.98**	14.50	10.23	--
(i) Net profit ratio (In %) Formula: Profit for the year divided by Revenue from Operations	**6.08**	5.69	6.78	--
(j) Return on Capital employed (In %) Formula: Earnings before interest & tax divided by Capital Employed (Tangible Net Worth + Total Debt)	**24.21**	23.36	3.63	--

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 58: DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS "

(a) Defined Contribution Plans:

The Company's contribution to Provident Fund, Superannuation Fund & Pension Fund that has been recognized in the Statement of Profit and Loss under the head Employee Benefits Expense is as under:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employer's Contribution to Provident Fund	**16.08**	8.22
Employer's Contribution to Superannuation Fund	**1.54**	1.26
Employer's Contribution to Pension Fund	**9.01**	7.23

(b) Defined Benefit Plans:

Gratuity

The Company has a defined benefit gratuity plan (funded and non funded).The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	March 31, 2026	March 31, 2025
Employee Attrition Rate	**1%-2%**	1%-2%
Discount rate(s)	**7.25%**	6.70%
Expected rate(s) of salary increase	**4.00%**	4.00%

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
I. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year		
Funded	**19.61**	18.72
Non Funded	**14.15**	14.22
	33.76	32.94
2. Transfer In/Out Obligation		
Funded	**-**	0.09
Non Funded	**-**	(0.09)
	-	-
3. Expenses Recognized in Profit and Loss Account		
Current Service Cost		
Funded	**3.73**	2.55
Non Funded	**3.33**	2.58
	7.06	5.13
Interest Cost		
Funded	**1.14**	1.14
Non Funded	**0.66**	0.76
	1.80	1.90

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Past Service Cost		
Funded	**7.92**	(1.90)
Non Funded	**5.26**	(2.88)
	13.18	(4.78)
4. Recognized in Other Comprehensive Income		
Actuarial (Gain)/Loss		
Funded	**4.06**	0.38
Non Funded	**3.99**	0.12
	8.05	0.50
5. Benefits paid		
Funded	**(2.44)**	1.38
Non Funded	**(1.26)**	0.57
	(3.70)	1.95
6. Present value of defined benefit obligation at the end of the year.		
Funded	**34.01**	19.61
Non Funded	**26.14**	14.15
	60.15	33.76
II. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	**6.04**	4.69
2. Adjustments to Opening Fair Value of Plan asset	**-**	-
3. Expenses Recognized in Profit and Loss Account	**-**	-
Expected return on plan assets	**0.31**	0.23
4. Recognized in Other Comprehensive Income		
Remeasurement (gains)/losses		
Actual Return on plan assets in excess of the expected return	**0.48**	0.46
5. Contributions by employer (including benefit payments recoverable)	**20.24**	0.66
6. Benefits paid	**(1.88)**	-
7. Fair value of plan assets at the end of the year	**25.19**	6.04
III. (a) Expense recognized in the Statement of Profit and Loss for the year		
Current Service Cost		
Funded	**3.73**	2.55
Non Funded	**3.33**	2.58
	7.06	5.13
Past Service Cost		
Funded	**7.92**	(1.90)
Non Funded	**5.26**	(2.88)
	13.18	(4.78)
Interest Cost		
Funded	**1.14**	1.14
Non Funded	**0.66**	0.76
	1.80	1.90
Expected Return on plan assets		
Funded	**(0.31)**	(0.23)
Non Funded	**-**	-
	(0.31)	(0.23)
Components of defined benefit costs recognized in profit or loss		
Funded	**12.48**	1.56
Non Funded	**9.25**	0.45
	21.73	2.01

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
(b) Included in other Comprehensive Income		
Actuarial (Gain)/Loss recognized for the period	**8.06**	0.50
Return on Plan Assets excluding net interest	**(0.48)**	(0.46)
Actuarial (Gain)/Loss recognized in OCI	**7.58**	0.04
IV. Net Asset/(Liability) recognized in the Balance Sheet		
1. Fair value of plan assets as at March 31, 2026		
Funded	**25.19**	6.04
Non Funded	**-**	-
	25.19	6.04
2. Present value of defined benefit obligation as at March 31, 2026		
Funded	**34.01**	19.61
Non Funded	**26.14**	14.15
	60.15	33.76
3. Amount recognized in Balance Sheet		
Funded	**8.82**	13.57
Non Funded	**26.14**	14.15
	34.96	27.72
4. Amount recognized in Balance Sheet		
Current	**5.62**	3.11
Non Current	**29.34**	24.61
	34.96	27.72

Expected cashflows based on past service liability:

(₹ in millions)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Within 1 year	**8.15**	6.14
1-2 year	**5.02**	2.17
2-3 year	**5.64**	2.44
3-4 year	**5.15**	2.13
4-5 year	**2.85**	2.02
Above 5 years	**22.10**	11.67

Sensitivity Analysis

(₹ in millions)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i. Discount rate Sensitivity		
Increase by 0.5%	**53.25**	28.65
Decrease by 0.5%	**58.21**	31.16
ii. Salary growth rate Sensitivity		
Increase by 0.5%	**57.76**	30.72
Decrease by 0.5%	**53.57**	29.21
iii. Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	**55.95**	29.92
W.R. x 90%	**55.29**	29.79

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 59: SEGMENT INFORMATION

During the current period, the Company's manufacturing operations relating to Continuously transposed conductor (CTC) Plant were identified and managed as a separate business line and whose operating results are regularly reviewed . Accordingly, Continuously transposed conductor (CTC) Plant has been identified as a separate operating and reportable segment with effect from November 03, 2025.

The segment information for the corresponding previous period has not been presented, as the manufacturing operations of this segment commenced during the current period. Accordingly, the segment information for the current period is not comparable with that of the previous period.

a) Information about major customers

Revenue from sale of products to largest customers (greater than 10% of total sales) is ₹ 7062.70 millions for financial year ended March 31, 2026 (₹ 5297.83 millions for financial year ended March 31, 2025)

b) As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements

NOTE 60: DIVIDEND

The Board of Directors have recommended a dividend of ₹ 1.40 per equity share of ₹ 2/- each (Previous year ₹ 2 per equity share of ₹ 2/- each). The same is subject to the approval of members of the Company in the AGM to be held on August 11, 2026.

(₹ in millions)

Proposed Dividend on equity shares	March 31, 2026	March 31, 2025
Final cash dividend for the year ended March 31, 2026 is ₹ 1.40 per equity share (March 31, 2025 ₹ 2 per equity share)	**48.11**	34.33
	48.11	34.33

(₹ in millions)

Dividend declared and Paid during the year	March 31, 2026	March 31, 2025
Final cash dividend for the year ended March 31, 2025 is ₹ 2.00 per equity share (March 31, 2024 ₹ 1.20 per equity share).	**34.32**	20.57
	34.32	20.57

NOTE 61: STOCK OPTIONS

The Employee Stock Option Scheme (ESOP) was approved by the members on August 13, 2018. Under the scheme, 99,945 stock options were granted during FY 2021-22, of which 10,255 options were exercised during FY 2022-23. During FY 2024-25 and FY 2025-26, the Company allotted 24,815 and 21,132 equity shares of ₹2 each, respectively, pursuant to the exercise of stock options. Further, the Company granted an additional 100,000 stock options under the scheme. Pursuant to the 1:1 bonus issue, the number of unexercised stock options was increased and the exercise price was correspondingly reduced in accordance with the terms of the ESOP Scheme, without changing the overall value of the awards.

NOTE 62: MISCELLANEOUS EXPENSES

Miscellaneous expenses under Other Expenses includes CWIP written off of ₹ 9.79 millions (Previous year ₹ 38.22 millions)

NOTE 63: PROVISION FOR WARANTY

A provision is recognized for expected warranty claims and after sales services on products sold, based on past experience of the level of repairs and returns. It is expected that these costs will be incurred during the warranty period i.e 1 to 6 years (depending on the product) from the date of sale of the product . The provision for warranty cost is revised annually.

NOTE 64:

All the financial assets and financial liabiities are valued at amortized cost. However, considering the materiality of the transactions, the cost/book value of certain assets such as security deposits, staff loan is considered as the amortized cost.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 65 SHARE BASED PAYMENTS RESERVE

The Board of Directors of the Company and its Shareholders' approved a Employee Stock Option Plan (ESOP - 2018). During the previous year 2021-22, 99,945 options were granted to certain identified eligible employees of the Company. Detailed description of share based payment arrangements is as below:

During the current year 2025-26, the Company granted further 1,00,000 employee stock options to certain identified eligible employees. Further, during the year, the Company issued bonus equity shares in the ratio of 1:1 on 30 March 2026. Accordingly, the outstanding options and related exercise prices as at March 31, 2026 have been presented after considering the effect of the bonus issue, wherever applicable.

Detailed description of share-based payment arrangements is as below:

Sr No	Particulars	Earlier Grant	Current Year Grant
a	Date of shareholders' approval:-	August 13, 2018	August 13, 2018
b	Total number of options approved under ESOP.	2,50,000 options	Within overall approved pool of 2,50,000 options
c	Number of options granted: -	99,945 options granted during FY 2021-22	1,00,000 options granted during FY 2025-26
d	Grant Year: -	FY 2021 - 22	FY 2025 - 26
e	Maximum term of options granted: -	Maximum term of the options granted under the scheme shall be five years from the grant date.	Maximum term of the options granted under the scheme shall be five years from the grant date.
f	Vesting requirements	The options granted shall vest between a minimum of 1 to maximum of 4 years from the date of grant of options.	The options granted shall vest between a minimum of 1 to maximum of 4 years from the date of grant of options.
g	Source of shares : -	Primary	Primary
h	Exercise price before bonus issue	₹ 85 per option	₹ 800 per option
i	Exercise price after 1:1 bonus issue	₹ 42.50 per option/share equivalent	₹ 400 per option/share equivalent
j	Weighted average fair value of options	₹ 482.96	₹ 897.77 per option before bonus adjustment
k	Weighted average remaining contractual life	1.95 years	3.75 years

Options were priced using a Black Scholes Merton Formula pricing model. Where relevant, the expected life used in this model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavior considerations.

Sr No	Inputs into the model were as follows:	Earlier Grant	Current Year Grant
a	Grant date share price	₹ 166.65	₹ 1418.30
b	Exercise Price	₹ 85.00	₹ 800.00
c	Historical Volatility	50.60% to 51.83%	55.05% to 57.23%
d	DTE (Years)	3 to 4.5 years	3 to 4.5 years
e	Dividend yield	0.46%	0.19%
f	Risk free interest rate	4.92% to 5.50%	5.98% to 6.26%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Reconciliation of outstanding share options is as follows:

Particulars	Year ended March 31, 2026 No. of options	Year ended March 31, 2026 Exercise price	Year ended March 31, 2025 No. of options	Year ended March 31, 2025 Exercise price
Outstanding at the beginning of the year	**32,571**	**85.00**	64,388	85.00
New options granted during the year	**1,00,000**	**800.00**	-	-
Forfeited/lapsed during the year	**6,814**	**85.00**	7,002	85.00
Exercised during the year	**21,132**	**85.00**	24,815	85.00
Outstanding before bonus adjustment from earlier options	**4,625**	**85.00**	32,571	85.00
Outstanding before bonus adjustment from new options granted in the current year	**1,00,000**	**800.00**	-	-
Total outstanding before bonus adjustment	**1,04,625**	**Refer table below**	32,571	85.00
Bonus adjustment pursuant to 1:1 bonus issue	**1,04,625**	**-**	-	-
Outstanding at the end of the year	**2,09,250**	**85.00**	32,571	85.00
Exercisable as at March 31, 2026	**9,250**	**85.00**	11,550	85.00

Reconciliation of outstanding share options after bonus adjusment is as follows:

Particulars	Options before bonus	Options after bonus	Exercise price before bonus	Exercise price after bonus
Earlier ESOP grant	4,625	9,250	85.00	42.50
Current year ESOP grant	1,00,000	2,00,000	800.00	400.00
Total outstanding as on March 31, 2026	**1,04,625**	**2,09,250**	**-**	**-**

Pursuant to the 1:1 bonus issue, the number of equity shares underlying outstanding employee stock options has been proportionately increased and the related exercise prices have been proportionately reduced. The bonus issue has not been considered as a fresh grant of employee stock options.

Fair value of options vested during the year is ₹1220.56 (previous year ₹ 796.44)

Money realized by exercise of option during the year is ₹ 1.80 millions (previous year ₹ 2.11 millions)

For the total options outstanding at March 31, 2026, the exercise price of the earlier grants was revised from ₹ 85.00 to ₹ 42.50 per option and that of the new grants from ₹ 800.00 to ₹ 400.00 per option, with a corresponding adjustment in the number of options.

Weighted average share price at the date of the exercise of share options exercised in FY 2025-26 is ₹ 1305.56.

21132 options exercised during this year and 24815 shares during previous year.

Expense recognized in Statement of Profit and Loss

The Company has followed the fair value method to account for the grant of stock options, profit and loss

impact for the year ended March 31, 2026 is ₹ 5.42 millions (previous year: ₹ 0.78 millions)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 66: RELATED PARTY DISCLOSURES AS PER IND AS 24 & SEBI LODR

I. List of related parties

A) Subsidiary

Coincade Studios Private Limited
Hirect FZ-LLC
Elventive France (formerly known as Belink Hirect SAS)

B) Enterprise over which Members of the Board of Directors/KMP has significant influence

Force Motion Technology LLP
Elventive Tech Private Limited
Arcot AI Solution Private Limited (formerly known as Arcot Media Private Limited)

C) Members of the Board of Directors/Key Management Personnel (KMP)

1. Chairman and Managing Director

a) Mr. Suramya Nevatia

2. Executive Director

a) Mrs. Akshada Nevatia

3. Non Executive Director

i. Independent Non Executive Director

a) Mr. Vijay Kumar Bhartia (completion of tenure with effect from August 13, 2024)
b) Mr. Pradeep Goyal (completion of tenure with effect from August 13, 2024)
c) Ms. Ashlesha Bodas
d) Mr. Vandan Shah
e) Mr. Vishal Pacheriwala

ii. Non Independent Non Executive Director

a) Mr. Parimal Merchant

4. Chief Financial Officer

a) Mr. Anil Kumar Nemani

5. Chief Executive Officer

a) Mr. Manoj Nair

6. Company Secretary

a) Ms. Meenakshi Anchlia (cessation with effect from November 03, 2025)
b) Ms. Megha Singh (appointed on January 30, 2026)

D. Relative of Member of Board of Directors/KMP

a) Mr. Saurabh Nevatia
b) Mrs. Bharti Nevatia
c) Mr. Suryansh Nevatia

Note: Mrs. Akshada Nevatia, Mr. Suramya Nevatia, Mr. Saurabh Nevatia, Mrs. Bharti Nevatia and Mr. Suryansh Nevatia are related to each other.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

II. Disclosure in respect of material transactions with related parties during the year ended March 31, 2026

(₹ in millions)

S. No.	Particulars	Subsidiary	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
1	**Loan Received/Deposits received**					
	Nil	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-
2	**Loan Repaid/Deposits Given**					
	Nil	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-
3	**Investment in subisidary**					
	Elventive France	**174.80**	**-**	**-**	**-**	**174.80**
		-	-	-	-	-
	Coincade Studios Private Limited	**3.99**	**-**	**-**	**-**	**3.99**
		-	-	-	-	-
	Hirect FZ LLC	**-**	**-**	**-**	**-**	**-**
		(2.91)	-	-	-	(2.91)
4	**Income**					
	Sale					
	Force Motion Technology LLP	**-**	**0.06**	**-**	**-**	**0.06**
		-	(0.12)	-	-	(0.12)
	Elventive Tech Private Limited	**-**	**135.01**	**-**	**-**	**135.01**
		-	(110.03)	-	-	(110.03)
	Hirect FZ-LLC	**2.15**	**-**	**-**	**-**	**2.15**
		-	-	-	-	-
	Other Income					
	Coincade Studios Pvt Ltd	**0.12**	**-**	**-**	**-**	**0.12**
		-	-	-	-	-
5	**Expenditure**					
i.	**Remuneration**					
	Mrs. Akshada Nevatia	**-**	**-**	**31.12**	**-**	**31.12**
		-	-	(21.06)	-	(21.06)
	Mr. Suramya Nevatia	**-**	**-**	**48.86**	**-**	**48.86**
		-	-	(36.36)	-	(36.36)
	Mr. Saurabh Nevatia	**-**	**-**	**-**	**9.03**	**9.03**
		-	-	-	(9.03)	(9.03)
	Mrs. Bharti Nevatia	**-**	**-**	**-**	**1.16**	**1.16**
		-	-	-	(1.19)	(1.19)
	Mr.Suryansh Nevatia	**-**	**-**	**-**	**-**	**-**
		-	-	-	(0.06)	(0.06)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

S. No.	Particulars	Subsidiary	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
	Mr. Anil Kumar Nemani	**-**	**-**	**12.23**	**-**	**12.23**
		-	-	(10.01)	-	(10.01)
	Ms. Meenakshi Anchlia	**-**	**-**	**1.19**	**-**	**1.19**
		-	-	(2.31)	-	(2.31)
	Ms. Megha Singh	**-**	**-**	**0.06**	**-**	**0.06**
		-	-	-	-	-
	Mr. Anil Mehta	**-**	**-**	**-**	**-**	**-**
		-	-	(2.89)	-	(2.89)
	Mr. Manoj Nair	**-**	**-**	**7.72**		**7.72**
		-	-	-		-
ii.	**Directors Sitting Fees**					
	Mr. Parimal Merchant	**-**	**-**	**0.58**	**-**	**0.58**
		-	-	(0.28)	-	(0.28)
	Mr. Pawan Kumar Golyan	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-
	Mr. Pradeep Goyal	**-**	**-**	**-**	**-**	**-**
		-	-	(0.15)	-	(0.15)
	Mr. Vandan Shah	**-**	**-**	**0.40**	**-**	**0.40**
		-	-	(0.28)	-	(0.28)
	Mr. Vijay Kumar Bhartia	**-**	**-**	**-**	**-**	**-**
		-	-	(0.05)	-	(0.05)
	Ms. Ashlesha Bodas	**-**	**-**	**0.25**	**-**	**0.25**
		-	-	(0.03)	-	(0.03)
	Mr. Vishal Pacheriwala	**-**	**-**	**0.45**	**-**	**0.45**
		-	-	(0.23)	-	(0.23)
iii.	**Rent**					
	Mr. Saurabh Nevatia	**-**	**-**	**-**	**0.50**	**0.50**
		-	-	-	(0.50)	(0.50)
iv.	**Purchase**					
	Force Motion Technology LLP	**-**	**227.13**	**-**	**-**	**227.13**
		-	(145.96)	-	-	(145.96)
	Elventive Tech Private Limited	**-**	**316.38**	**-**	**-**	**316.38**
		-	(132.51)	-	-	(132.51)
	Arcot AI Solution Private Limited	**-**	**0.39**			**0.39**
		-	(0.32)	-	-	(0.32)

Note: Figures in brackets represents previous years figures

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

III. Balances Receivable/Payable with Related Parties

(₹ in millions)

S. No.	Particulars	Subsidiary	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
1	**Trade Payables**					
	Force Motion Technology LLP	**-**	**58.92**	**-**	**-**	**58.92**
		-	(18.40)	-	-	(18.40)
	Elventive Tech Private Limited	**-**	**5.60**	**-**	**-**	**5.60**
		-	(20.86)	-	-	(20.86)
2	**Trade Receivables**					
	Force Motion Technology	**-**	**-**	**-**	**-**	**-**
		-	(0.01)	-	-	(0.01)
	Elventive Tech Private Limited	**-**	**41.53**	**-**	**-**	**41.53**
		-	(48.96)	-	-	(48.96)
3	**Due from Subsidiary**					
	Hirect FZ-LLC	**4.86**	**-**	**-**	**-**	**4.86**
		-	-	-	-	-
	Coincade Studios Pvt Ltd	**2.35**	**-**	**-**	**-**	**2.35**
		-	-	-	-	-
	Advance to France Court for bidding					
	Elventive France (formerly known as Belink Hirect SAS)	**81.07**	**-**	**-**	**-**	**81.07**
		-	-	-	-	-
	Due to Subsidiary					
	Hirect FZ-LLC	**-**	**-**	**-**	**-**	**-**
		(1.32)	-	-	-	(1.32)
4	**Other Current Financial Liabilities**					
	Salary and Other Accrued Expenses					
	Salary Payable to Mrs. Akshada Nevatia	**-**	**-**	**22.31**	**-**	**22.31**
		-	-	(15.82)	-	(15.82)
	Salary Payable to Mr. Suramya Nevatia	**-**	**-**	**37.02**	**-**	**37.02**
		-	-	(26.10)	-	(26.10)
	Salary Payable to Mr. Saurabh Nevatia	**-**	**-**	**-**	**0.47**	**0.47**
		-	-	-	(0.63)	(0.63)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

S. No.	Particulars	Subsidiary	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
	Salary Payable to Mrs. Bharti Nevatia	**-**	**-**	**-**	**0.09**	**0.09**
		-	-	-	(0.11)	(0.11)
	Salary Payable to Mr. Suryansh Nevatia	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-
	Salary Payable to Mr. Anil Kumar Nemani	**-**		**0.07**		**0.07**
		-	-	(0.28)	-	(0.28)
	Salary Payable to Ms. Meenakshi Anchlia	**-**	**-**	**-**	**-**	**-**
		-	-	(0.14)	-	(0.14)
	Salary Payable to Ms. Megha Singh	**-**	**-**	**0.03**	**-**	**0.03**
		-	-	-	-	-
	Salary Payable to Mr. Anil Mehta	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-
	Salary Payable to Mr. Manoj Nair	**-**	**-**	**0.84**	**-**	**0.84**
		-	-	-	-	-

Note: The remuneration to the related parties does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. However the gratuity expenses of Mr.Suramya Nevatia and Mrs. Akshada Nevatia are included in the figure of their respective remuneration since their gratuity is provided separately.

All the related party transactions have been entered on arm's length basis.

Figures in brackets represents previous years figures

NOTE 67. FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet it's obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets.

Trade receivables

Customer credit is managed by concerned business manager subject to the Company's established policy procedures and control related to customer credit risk management.

Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification.

The Company evaluates the concentration of risk with respect to trade receivables as medium, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals.

Reconciliation of loss allowance provision for Trade Receivables (ECL - Expected Credit Losses)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	**81.46**	41.19
Additions	**78.36**	77.14
Amounts written back during the year	**(126.88)**	(36.87)
Balance at end of the year	**32.94**	81.46

B. 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 risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits and other financials assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

(i) Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently, the Company is exposed to foreign exchange risk through it's sales and services in overseas and purchases from overseas suppliers in various foreign currencies. The Currency Risk can be majorly divided into two main categories -

1. Risk of change in Profits due to change in currency rate of Outstanding Trade Payables and Receivables (net of advances)
2. Risk of increased outflows due to change in currency rate of Other Payables.

Foreign Currency 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 and cash flows is due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances) and the effect not on profit but on cash flow is due to Other Payables. The Company's exposure to foreign currency changes for all other currencies is not material.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

1. The impact on the Company's profit before tax due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances)

(₹ in millions)

	Currency	Change in rate	Effect on profit before tax
March 31, 2026	**USD**	**+5%**	**(1.94)**
	USD	**(5%)**	**1.94**
	EURO	**+5%**	**(0.13)**
	EURO	**(5%)**	**0.13**
	CHF	**+5%**	**(1.45)**
	CHF	**(5%)**	**1.45**
March 31, 2025	USD	+5%	(0.05)
	USD	(5%)	0.05
	EURO	+5%	(1.89)
	EURO	(5%)	1.89
	CHF	+5%	(0.84)
	CHF	(5%)	0.84

2. The impact on the Company's cash flow due to changes in the fair value of Other Payables

(₹ in millions)

	Currency	Change in rate	Effect on cash flow
March 31, 2026	**USD**	**+5%**	**-**
	USD	**(5%)**	**-**
	EURO	**+5%**	**(0.99)**
	EURO	**(5%)**	**0.99**
	CHF	**+5%**	**-**
	CHF	**(5%)**	**-**
March 31, 2025	USD	+5%	0.66
	USD	(5%)	(0.66)
	EURO	+5%	-
	EURO	(5%)	-
	CHF	+5%	-
	CHF	(5%)	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(ii) Commodity Price Risk

a. The Company is subjected to Commodity Price risk due to the fluctuations in the price of copper. This is procured from domestic suppliers. However, domestic price of the copper is afffected based on the price at the London Metal Exchange (LME) and exchange rates. In case copper prices undergo upward/downward revision due to LME or exchange rate, the price difference are adequately covered by the price variation clause of the order.

b. Exposure of the Company to commodity and commodity risks faced by it throughout the year.

   1. Total exposure of the Company to commodities in ₹ 2,552.74 millions
   2. Exposure of the Company to various commodities:

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Commodity Name	Exposure towards the particular commodity (₹ In millions)	Exposure in quantity terms towards the particular commodity	% of such Exposure Hedged through Commodity Derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
1. Copper	2,189.33	1,873.59 MT	N/A		N/A		N/A
2. Aluminium	363.41	766.46 MT					
TOTAL	2.552.74	1,983.57 MT					

3. In majority of orders, company do have price variation clause (PVC) issued by Indian Electrical and Electronics Manufacturers' Association (IEEMA) which covers all component of cost including commodities and accordingly company do not have any major risk due to fluctuation in commodities price.

(iii) Interest rate risk

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has taken loans from banks which are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase/Decrease in basis Points	Effect on profit before tax (₹ In millions)
March 31, 2026	₹	**+50**	**(8.18)**
	₹	**(50)**	**8.18**
March 31, 2025	₹	+50	(6.15)
	₹	(50)	6.15

(iv) Equity Price Risk

The Company is not exposed to equity price risks arising from equity investments since the Company does not have any equity investments, except investment in equity instruments of subsidiaries.

C. LIQUIDITY RISK

(i) Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

As at March 31, 2026	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Long term borrowings	-	-	**225.54**	**99.50**	-	**325.04**
Short term borrowings						
Cash Credit Facilities	-	**1,759.36**	-	-	-	**1,759.36**
Current maturities of long-term debt	-	**138.40**	-	-	-	**138.40**
Lease liabilities	-	**20.93**	**20.11**		-	**41.04**
Trade payables						
Trade payables - Micro and small enterprises	-	**29.07**	-	-	-	**29.07**
Trade payables - other than micro and small Ent	-	**1,088.47**	-	-	-	**1,088.47**
Other financial liabilities						
Deposits from dealers and agents	-	-	-	-	**0.80**	**0.80**
Interest accrued on borrowings	-	**6.50**	-	-	-	**6.50**
Unclaimed/Unpaid dividends	-	**9.30**	-	-	-	**9.30**
Creditors for Capital Supplies/ Services	-	**55.24**	-	-	-	**55.24**
Provision for Bonus	-	**2.54**	-	-	-	**2.54**
Salary & Other Accrued Expenses	-	**142.97**	-	-	-	**142.97**
Total	-	**3,252.78**	**245.65**	**99.50**	**0.80**	**3,598.73**

(₹ in millions)

As at March 31, 2025	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Long term borrowings	-	-	248.43	35.39	0.18	284.00
Short term borrowings						
Cash Credit Facilities	-	1,203.25	-	-	-	1,203.25
Current maturities of long-term debt	-	102.57	-	-	-	102.57
Lease liabilities	-	20.01	39.52	1.52	-	61.05
Trade payables						
Trade payables - micro and small enterprises	-	14.30	-	-	-	14.30
Trade payables - other than micro and small ent	-	584.86	-	-	-	584.86
Other Financial Liabilities						
Deposits from dealers and agents	-	-	-	-	0.80	0.80
Interest accrued on borrowings	-	1.81	-	-	-	1.81
Unclaimed/Unpaid dividends	-	5.20	-	-	-	5.20
Creditors for Capital Supplies/Services	-	7.52	-	-	-	7.52
Provision for Bonus	-	7.34	-	-	-	7.34
Salary & Other Accrued Expenses	-	104.87	-	-	-	104.87
Due to Subsidary		1.32				1.32
Total	-	2,053.05	287.95	36.91	0.98	2,378.89

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

The Company participates in a TReDS arrangement for its MSME vendor payables (refer Note 73). In the event that such a platform were to become unavailable, the Company's MSME vendors would no longer have access to payment on due date through Treds, which may result in the Company being required to settle those payables from own funds than would otherwise be the case. The Company does not consider this to be a material concentration of liquidity risk given that the amounts involved (₹ 57.34 million as at March 31, 2026) are not material relative to the Company's total financial liabilities of ₹3,594.96 million.

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash Credit Facilities	**409.05**	142.26
Total	**409.05**	142.26

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(₹ in millions)

As at March 31, 2026	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Investments	-				182.98	182.98
Trade Receivables	-	2,270.97				2,270.97
Cash and Cash Equivalents	-	3.21				3.21
Other Bank Balances	-	10.69				10.69
Loans	-	0.05	-			0.05
Other financial Assets						
Security Deposits	-				13.64	13.64
Bank deposits		68.00				68.00
Retention Money	-	31.94	2.53			34.47
Earnest Money Deposits	-	3.60	49.20			52.80
Provision for doubtful amounts	-	(6.55)				(6.55)
Due from subsidiary		7.21				7.21
Advance to France Court for bidding		81.07				81.07
Interest Income accrued	-	0.97				0.97
Total	-	2,471.16	51.73	-	196.62	2,719.51

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

As at March 31, 2025	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Investments	-	-	-	-	1.28	1.28
Trade Receivables	-	1,095.50	-	-	-	1,095.50
Cash and Cash Equivalents	-	2.93	-	-	-	2.93
Other Bank Balances	-	8.40	-	-	-	8.40
Loans	-	0.63	0.01	-	-	0.64
Other financial Assets						
Security Deposits	-	-	-	-	8.36	8.36
Bank Deposits	-	-	99.00	-	-	99.00
Retention Money	-	31.61	3.62	-	-	35.23
Earnest Money Deposits	-	59.02	3.56	-	-	62.58
Provision for Doubtful Amounts	-	(3.65)	-	-	-	(3.65)
Amount receivable against sale of assets	-	-	-	-	-	-
Interest Income Accrued	-	0.69	-	-	-	0.69
Total	-	1,195.14	106.19	-	9.63	1,310.96

NOTE 68 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to safeguard it's ability to continue as a going concern and to optimise returns to shareholders. The Company monitors the amount of Capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of underlying assets. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The Company takes and will take appropriate steps in order to maintain, or if necessary adjust it's capital structure.

The Company's adjusted net debt to equity ratio at March 31, 2026 and March 31, 2025 is as follows:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Debt (including lease liabilities)	**2,260.07**	1,642.67
Less: cash and cash equivalents	**3.21**	2.93
Adjusted net debt	**2,256.86**	1,639.74
Total equity	**2,212.64**	1,600.29
Adjusted net debt to adjusted equity ratio	**1.02**	1.02

NOTE 69 ADDITIONAL REGULATORY INFORMATION

a. Details of Benami Property:

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. Details of Crypto Currency or Virtual Currency:

The Company have not traded or invested in Crypto currency or Virtual Currency during reporting periods.

c. Utilization of Borrowed Funds and Share Premium (as per MCA Circular 11/2022)

The Company has not advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (recorded or otherwise) that the intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries), or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has also not received any funds from any such person(s) or entity(ies) with the understanding that the Company shall, directly or indirectly:

i) lend or invest in other persons or entities identified by or on behalf of the funding party (Ultimate Beneficiaries), or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

d. Details of unrecorded transactions:

The Company does not have any 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).

e. Details of compliances as per Companies Act 2013:

(i) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(ii) The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.

(iii) There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting periods.

(iv) During the reporting periods, the Company does not have any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties as per the definition of Companies Act, 2013.

f. During the year ended March 31, 2026, the Company has not revalued any property, plant and equipment and intangible assets.

g. The Company has not received any borrowings from banks or financial institutions that were not used for the specific purpose for which they were borrowed at the balance sheet date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 70:

The Company has used accounting software for maintaining its books of account for financial year ended March 31, 2026 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 such software. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software.

NOTE 71: EVENTS AFTER THE REPORTING PERIOD

a The Board of Directors, at its meeting held on May 16, 2026, recommended a final dividend of ₹ 1.40 per equity share for the year ended March 31, 2026, subject to shareholders' approval. The dividend has not been recognized as a liability as at March 31, 2026.

b The Board approved preferential issue of 10,86,366 equity shares to Tata Mutual Fund – Tata Small Cap Fund at ₹ 920.50 per share, aggregating to ₹ 1,000 millions, subject to shareholders' and other applicable approvals.

c The Board approved grant of 75,291 stock options under the Hirect Employee Stock Option Plan 2018 at a grant price of ₹ 470 per option. Further, on April 29, 2026, the Company allotted 4,625 equity shares pursuant to exercise of stock options under the said scheme.

d The Company had approved bonus issue of equity shares in the ratio of 1:1, with record date of March 27, 2026. Allotment/listing formalities completed after March 31, 2026 have been considered as non-adjusting events. The effect on earnings per share, where applicable, has been considered in accordance with Ind AS 33, Earnings per Share.

e The Company is in the process of incorporation of a wholly owned subsidiary in Dubai International Financial Centre, UAE, after the reporting date, pursuant to approval of the Board of Directors. The proposed investment in the subsidiary is ₹ 3.76 millions. The incorporation has been considered as a non-adjusting event after the reporting period.

f The Board approved re-appointment of Mr. Suramya Nevatia as Managing Director for three years from August 17, 2026 to August 16, 2029, subject to shareholders' approval, and revision in remuneration of Ms. Akshada Nevatia, Executive Director, subject to applicable approvals. Mr. Suhas Pawar was appointed as Company Secretary and Compliance Officer with effect from May 16, 2026.

g Except as disclosed above, there were no other material events after the reporting period requiring adjustment to or disclosure in the financial statements.

NOTE 72: INCORPORATION OF SUBSIDIARY DURING THE YEAR

a. A wholly owned subsidiary named Coincade Studios Private Limited has been incorporated in India on April 15, 2025. It will be involved in developing cutting-edge products and solutions in Information Technology (IT), Artificial Intelligence (AI), Web3, and varied software.

b. BELINK HIRECT SAS, incorporated on September 30, 2025 as a subsidiary of Hind Rectifiers Limited, with effect from October 01, 2025 as the effective date of takeover of business, has since been renamed and is now known as Elventive France.

NOTE 73:

The Company participates in a Trade Receivables Discounting System (TReDS) platform, regulated by the Reserve Bank of India, under which MSME vendors receive early payment against their accepted invoices through financiers on the platform. The Company settles the invoice amount to the financier on the original due date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Since 2025-26 is the first year of application of this amendment, comparative information for the year ended March 31, 2025 is not required to be disclosed. The following disclosures are made in respect of the TReDS arrangement:

Particulars	As at March 31, 2026 (₹ in millions)
Carrying amount of MSME trade payables forming part of the TReDS arrangement (included in Note 26 — Trade Payables)	57.34
Of the above — amount for which the financier has already paid the MSME supplier and the Company has not yet settled with the financier as at the reporting date	51.35
Range of payment due dates — payables forming part of the TReDS arrangement	30 to 45 days from invoice date
Range of payment due dates — comparable MSME trade payables not forming part of the TReDS arrangement	30 to 45 days from invoice date

There were no non-cash changes in the carrying amount of trade payables forming part of the TReDS arrangement during the year ended March 31, 2026. The Company does not consider the TReDS arrangement to represent a material concentration of liquidity risk (refer Note 67).

NOTE 74: During the period, pursuant to the enactment of the New Labor Codes by the Government of India, effective November 21, 2025, the Company has reassessed its employee benefit obligations in accordance with Ind AS 19 – Employee Benefits.Accordingly, the Company has recognized a one-time increase in employee benefit provision amounting to ₹ 19.96 million, representing past service cost, which has been recognized in the Statement of Profit and Loss for the year and disclosed as an exceptional item.

NOTE 75: Previous year's figures are regrouped and rearranged wherever necessary.

NOTE 76: The Financial Statements were authorized for issue by the Board of Directors on May 16, 2026.

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Hind Rectifiers Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying consolidated Ind AS financial statements of **Hind Rectifiers Limited** (the *"Holding Company"*) which includes its subsidiaries (the Holding Company, its subsidiaries together referred as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2026, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended, and notes to financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2026, and their consolidated net profit & other comprehensive income, their consolidated changes in equity and its consolidated cash flows for the year then ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Completeness of revenue in relation to determination of point of time when revenue should be recognized** 1. The Holding Company has revenue from sale of products which includes finished goods and sale of services in the form of an AMC charges. The Holding Company manufactures highly specialized machined finished goods as per specification provided by the customers and based on the schedules from the customers.	Our audit procedures included the following: 1. Obtained an understanding of the Holding Company's sales process, including design and implementation of controls and tested the operating effectiveness of these controls. 2. Obtained an understanding of the Holding Company's accounting policies pertaining to revenue recognition and assessed compliance with Ind AS 115 - Revenue from Contracts with Customers. 3. Evaluated the terms of customer contracts on sample basis to assess various performance obligations in the contract, the point in time of transfer of control and pricing terms.

Sr. No.	Key Audit Matter	Auditor's Response
	2. The Holding Company recognizes revenue from sale of finished goods at a point in time based on the terms of the contract with customers which varies for each customer. Determination of point in time includes assessment of timing of transfer of significant risk and rewards of ownership, establishing the present right to receive payment for the products, delivery specifications, timing of transfer of legal title of the asset and determination of the point of acceptance of goods by customer. 3. Due to judgements relating to determination of point in time in satisfaction of performance obligations with respect to sale of products, this matter has been considered as key audit matter.	4. Performed testing on a sample basis sales invoices for identification of point in time for transfer of control and terms of contract with customers. Further, we performed procedures to test on a sample basis whether revenue was recognized in the appropriate period by testing shipping records, good inwards receipt of customer, sales invoice, etc. and testing the management assessment involved in the process, wherever applicable. 5. We assessed the disclosure is in accordance with applicable accounting standards. 6. Performed various analytical procedures to identify any unusual sales trends for further testing.
2	**Recoverability of trade receivables** Trade receivables, forms a significant part of the financial statements. Customer contracts typically involve time consuming and complex conditions around closure of contracts, including technical acceptances. This generally leads to longer and significant time for realization of receivables. As a result of the above, management's assessment of recoverability of trade receivables, involves critical evaluation of all factors impacting recoverability, including impact of external environment such as capability of customers to pay. Management makes an impairment allowance for trade receivables on the basis of its assessment of recoverability of specific customers and on the basis of expected credit loss model for the remaining customers in accordance with Ind AS 109, Financial Instruments. For the purposes of impairment assessment, significant judgements and assumptions are made, including assessing credit risk, timing and amount of realization, etc. In view of above, we determined this to be a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: 1. We obtained an understanding of the processes implemented by management to estimate impairment provision against trade receivables. 2. We tested key controls (both design and operating effectiveness) over management's estimate of impairment loss on random sample basis. 3. We obtained and tested the appropriateness of ageing of trade receivables with the underlying invoices on a sample basis using random sampling. 4. We evaluated the impairment model adopted by management to estimate the expected credit loss and tested related computations. We corroborated management's estimates on the basis of past trends. 5. We obtained, discussed and tested management assessment of impairment for specific customer balances with designated management personnel. 6. We have circulated direct confirmations on a sample basis using statistical sampling. In case of non-receipt of such confirmations, alternate test procedures such as testing subsequent receipts and underlying documents have been performed.

OTHER INFORMATION

The Holding Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders' information, but does not include the consolidated Ind AS financial statements, standalone financial statements, and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements, or our knowledge obtained during the course of our 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 information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. The respective Board of Directors of the Holding Company and its Indian subsidiary are responsible for establishing and maintaining internal financial controls as required under Section 143(3)(i) of the Act, based on the criteria established by the respective Companies 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.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE CONSOLIDATED AUDIT OF THE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company and its Indian subsidiary have adequate internal financial controls system 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 Group'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 consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

The Consolidated Financial Statements include the audited Financial Statements of 1 subsidiary (refer Annexure I), whose financial information reflects total assets of INR 6.41 million as at March 31, 2026, total revenue of INR Nil, total net loss after tax of INR 0.56 million, total comprehensive loss of INR 0.56 million, for the year ended March 31, 2026 respectively, and net cash inflow of INR 2.57 million for the year ended March 31, 2026 which have been audited by us.

In addition of the above, the Consolidated Financial Statements also include the audited Financial Statements of 2 subsidiaries (refer Annexure I), whose financial information reflects total assets of INR 758.63 million as at March 31, 2026, total revenues of INR 501.28 million, total net loss after tax of INR 190.18 million, total comprehensive loss of INR 193.82 million, for the year ended March 31, 2026 respectively, and net cash inflow of INR 31.41 million for the year ended March 31, 2026. The financial information of these subsidiaries had been audited by their respective auditors whose report has been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and procedures performed by us are as stated in the paragraph above.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the financial information certified by the Board of Directors.

INDEPENDENT AUDITOR'S REPORT (Contd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

   c) The Holding Company has branch offices, although no separate books of accounts are prepared by the Branch and hence section 143(8) does not apply to the Holding Company.

   d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   e) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   f) In our opinion there are no financial transactions or matters which have any adverse effect on the functioning of the Group.

   g) On the basis of the written representations received from the directors of the Holding Company and its Indian subsidiary as on March 31, 2026, taken on record by the Board of Directors of the Holding Company and its Indian subsidiary, none of the directors of the Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.

   i) With respect to adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"** which is based on the auditor's reports of the Holding Company and its Indian subsidiary. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its Indian subsidiary.

   j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   k) 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 Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group.

      (ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standard, for material foreseeable losses if any, on long term contracts including derivative contracts.

      (iii) The Holding Company is in the process of transfering unclaimed dividend pertaining to FY 2018-19 to the Investor Education and Protection Fund in compliance with the provisions of Section 125 of the Companies Act, 2013.

      (iv) a. The respective management of the Holding Company and its subsidiaries, whose financial statements have audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or of such subsidiaries to or in any other person or entities, 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 person or entities identified in any manner whatsoever by on behalf of the Holding Company or any of such subsidiaries ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;

b. The respective management of the Holding Company and its subsidiaries, whose financial statements have been audited under the Act, have represented to us, that, to the best of their knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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 audit procedures which we considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its Subsidiaries, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The final dividend proposed for the previous year was declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with Section 123 of the Act, as applicable.

(vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 01, 2023:

Based on our examination which included test checks, the Holding Company and its Indian subsidiary have used accounting software for maintaining their books of account, which have a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

2. As required by Section 143(3) of the Act, based on our audit as required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For GMJ & Co
Chartered Accountants
FRN.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537
UDIN: 26155537DAPECB5994

Place: Mumbai
Date: May 16, 2026

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE 'I'

to the Audit Report on the Consolidated Financial Statements of Hind Rectifiers Limited:

Sr. No.	Subsidiaries Audited	Audited By
1	Coincade Studios Private Limited	GMJ & Co
2	Hirect FZ LLC	Xact Auditing of Accounts
3	Eleventive France (formerly BeLink Hirect SAS)	BDO

Annexure – 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

xxi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us on the standalone financial statements of the Holding Company and its Indian subsidiary included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except as mentioned in clause 3(vii)(b) of the CARO Report on Standalone Ind AS Financial Statements of Hind Rectifiers Limited. CARO 2020 is not applicable to Eleventive France (formerly BeLink Hirect SAS) and Hirect FZ LLC, being entities incorporated outside India and not having a place of business in India within the meaning of Section 2(42) of the Companies Act, 2013.

For GMJ & Co
Chartered Accountants
FRN: 103429W

CA Madhu Jain
Partner
Membership No.: 155537
UDIN: 26155537DAPECB5994

Place: Mumbai
Date: May 16, 2026

Annexure – 'B' to the Independent Auditors' Report

(Referred to in our Independent Auditors' Report on the adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting, under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hind Rectifiers Limited 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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls over financial reporting of **"Hind Rectifiers Limited"** (the "Holding Company") and its Indian subsidiary, which includes the internal financial controls over financial reporting of the Holding Company and its Indian subsidiary incorporated in India for which internal financial control reporting is applicable, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its Indian subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('the 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 their business, including adherence to the respective Company's policies, the safeguarding of their 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its Indian subsidiary 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls system over financial reporting of the Holding Company and its Indian subsidiary.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A group's internal financial control over financial reporting 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. The Holding Company's and its Indian subsidiary's internal financial control over financial reporting 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 Holding Company and its Indian subsidiary; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding Company and its Indian subsidiary are being made only in accordance with authorizations of management and directors of the respective

companies; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Holding Company and its Indian subsidiary that could have a material effect on the Consolidated Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and to the best of our information and according to the explanations given to us, the Holding Company and its Indian subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the respective Companies 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.

For GMJ & Co
Chartered Accountants
FRN: 103429W

CA Madhu Jain
Partner
Membership No.: 155537
UDIN: 26155537DAPECB5994

Place: Mumbai
Date: May 16, 2026

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

(₹ in millions)

Sr. No.	Particulars	Note No.	As at March 31, 2026 (Audited)	As at March 31, 2025 (Audited)
I.	ASSETS			
1	**Non Current Assets**			
a.	Property, Plant and Equipment	2	**1,715.21**	866.46
b.	Capital Work in Progress	3	**32.99**	68.44
c.	Other Intangible Assets	4	**172.65**	156.61
d.	Intangible Assets under Development	5	**71.22**	52.89
e.	Right to use leased asset	2A	**72.82**	47.63
f.	Financial Assets			
	i. Investments	6	**1.28**	1.28
	ii. Loans	7	**-**	0.01
	iii. Other Financial Assets	8	**66.44**	114.54
g.	Other Non Current Assets	10	**33.73**	195.00
			2,166.34	1,502.86
2	**Current Assets**			
a.	Inventories	11	**1,491.08**	1,207.33
b.	Financial Assets			
	i. Trade Receivables	12	**2,464.23**	1,095.50
	ii. Cash and Cash equivalents	13	**39.14**	2.93
	iii. Bank Balances other than (ii) above	14	**10.69**	8.40
	iv. Loans	15	**0.05**	0.63
	v. Other Financial Assets	16	**145.19**	87.67
c.	Other Current Assets	18	**271.63**	234.99
			4,422.01	2,637.45
3	**Assets held for Sale**	19	**32.34**	32.58
	TOTAL ASSETS		**6,620.69**	4,172.88
II.	EQUITY AND LIABILITIES			
1	**Equity**			
a.	Equity Share Capital	20	**68.74**	34.33
b.	Other Equity	21	**2,016.98**	1,564.37
c.	Non controlling Interest		**(27.66)**	-
			2,058.06	1,598.70
2	**Liabilities**			
	Non Current Liabilities			
a.	Financial Liabilities			
	i. Borrowings	22	**325.04**	284.00
	ia. Lease liabilities	2A	**61.16**	37.27
	ii. Other Financial Liabilities	23	**0.80**	0.80
b.	Provisions	24	**166.13**	52.51
c.	Deferred tax Liabilities (net)	9	**46.12**	15.31
			599.25	389.89
	Current Liabilities			
a.	Financial Liabilities			
	i. Borrowings	25	**2,042.08**	1,305.82
	ia. Lease liabilities	2A	**18.16**	15.58
	ii. Trade Payables			
	a. total outstanding dues of micro and small enterprises	26	**29.07**	14.30
	b. total outstanding dues of creditors other than micro and small enterprises	26	**1,159.88**	584.86
	iii. Other Financial Liabilities	27	**219.32**	126.75
b.	Other Current Liabilities	28	**302.59**	72.55
c.	Provisions	29	**180.40**	40.97
d.	Current Tax Liabilities (net)	17	**11.88**	23.46
			3,963.38	2,184.29
	TOTAL EQUITY AND LIABILITIES		**6,620.69**	4,172.88
	Corporate Information & Material Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in millions)

Sr. No.	Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
1	INCOME			
a.	Revenue from operations	30	**9,991.25**	6,553.67
b.	Other income	31	**16.46**	14.81
	Total income		**10,007.71**	6,568.48
2	EXPENSES			
a.	Cost of materials consumed	32	**7,443.99**	5,011.08
b.	Purchases of stock-in-trade	-	**-**	
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	**(83.93)**	(228.23)
d.	Employee benefits expense	34	**1,120.45**	632.59
e.	Finance costs	35	**159.80**	131.92
f.	Depreciation and amortization expense	36	**138.34**	84.87
g.	Other Expenses	37	**669.99**	435.12
	Total expenses		**9,448.64**	6,067.35
3	**Profit before exceptional items and tax**		**559.07**	501.13
4	**Exceptional items**	74	**(19.96)**	-
5	**Profit before tax**		**539.11**	501.13
6	**Tax expense**			
a.	Current tax	38	**131.73**	131.17
b.	Deferred tax	38	**21.41**	(1.17)
7	**Profit for the Year**		**385.97**	371.13
8	**Other comprehensive income/(loss)**			
	a. Items that will not be reclassified to profit and loss			
	(i) Actuarial Gains/(Loss) on post-employment defined benefit plan		**(7.58)**	(0.04)
	(ii) Tax on above	38	**1.91**	0.01
	b. Items that will be reclassified to profit and loss			
	(i) Foreign Currency Translation Reserve		**1.95**	(0.01)
	Other comprehensive income for the Year		**(3.72)**	(0.04)
9	**Total Comprehensive income for the Year**		**382.25**	371.09
	Profit for the period attributable to:			
	- Owners of the Company		**450.08**	371.13
	- Non Controlling Interest		**(64.11)**	-
	Other Comprehensive Income/(loss) attributable to:			
	- Owners of the Company		**(4.37)**	(0.04)
	- Non Controlling Interest		**0.65**	-
	Total Comprehensive Income (including other comprehensive income/(loss) attributable to:			
	- Owners of the Company		**445.71**	371.09
	- Non Controlling Interest		**(63.47)**	-
10	**Earnings per equity share attributable to Equity Shareholders of Parent Company**	41		
	Earnings per share before exceptional item (face value of ₹ 2 each)			
	a. Basic		**13.68**	10.82
	b. Diluted		**13.63**	10.80
	Earnings per share after exceptional item (face value of ₹ 2 each)			
	a. Basic		**13.10**	10.82
	b. Diluted		**13.05**	10.80

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

(₹ In millions)

Particulars	Balance as on beginning of the year	Changes in Equity Share Capital during the year	Balance as on end of the year (refer note 20)
Current Reporting period - As on March 31, 2026	**34.28**	**34.46**	**68.74**
Previous Reporting period - As on March 31, 2025	34.25	0.03	34.28

**Refer note no. 21*

B. OTHER EQUITY

Current Reporting period

(₹ In millions)

Particulars	Attributable to equity shareholders of Parent Company							Non controlling Interest	Total Other Equity (refer note 21)
	Reserves & Surplus					Other Comprehensive Income reserve			
	Securities Premium	General Reserve	Share Based Payment Reserve	Share Warrant application money	Retained Earnings	Remeasurement of employee benefits	Foreign Currency Translation Reserve		
As at March 31, 2025	**230.86**	**655.84**	**3.36**	**-**	**669.35**	**4.98**	**(0.01)**	**-**	**1,564.38**
Addition								35.80	35.80
Profit/(Loss) for the year	-	-	-	-	450.08	-	-	(64.11)	385.97
Other Comprehensive Income/(Loss)	-	-				(5.67)	1.29	0.65	(3.73)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**450.08**	**(5.67)**	**1.29**	**(27.66)**	**418.04**
ESOPs exercised/Lapsed	**4.00**	**-**	**(2.24)**	**-**	**-**	**-**	**-**	**-**	**1.76**
ESOP Expenses	**-**	**-**	**5.42**	**-**	**-**	**-**	**-**	**-**	**5.42**
Bonus shares issued	(34.37)	-	-	-	-	-	-	-	(34.37)
Share warrant application money	-	-	-	68.41	-	-	-	-	68.41
Dividend	-	-	-	-	(34.32)	-	-	-	(34.32)
As at March 31, 2026	**200.49**	**655.84**	**6.54**	**68.41**	**1,085.11**	**(0.69)**	**1.28**	**(27.66)**	**1,989.32**

Previous Reporting period

(₹ In millions)

Particulars	Attributable to equity shareholders of Parent Company						Total Other Equity (refer note 21)
	Reserves & Surplus				Other Comprehensive Income reserve		
	Securities Premium	General Reserve	Share Based Payment Reserve	Retained Earnings	Remeasurement of employee benefits	Foreign Currency Translation Reserve	
As at March 31, 2024	**226.22**	**655.42**	**5.59**	**318.79**	**5.00**	**-**	**1,211.02**
Profit/(Loss) for the year	-	-	-	371.13	-	-	371.13
Other Comprehensive Income/(Loss)	-	-	-	-	(0.02)	(0.01)	(0.03)
Total Comprehensive Income for the Year	-	-	-	371.13	(0.02)	(0.01)	371.10
ESOPs exercised/Lapsed	4.64	0.42	(3.01)	-	-	-	2.05
ESOP Expenses	-	-	0.78	-	-	-	0.78
Dividend	-	-	-	(20.57)	-	-	(20.57)
As at March 31, 2025	**230.86**	**655.84**	**3.36**	**669.35**	**4.98**	**(0.01)**	**1,564.38**

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

STATEMENT OF CONSOLIDATED CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in millions)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Exceptional Item	**559.07**	501.13
Add/(Less): Exceptional Items	**(19.96)**	-
Net Profit After Exceptional Item	**539.11**	501.13
Adjusted for :		
Depreciation & Amortization Expense	**116.16**	68.75
Depreciation on right of use assets	**22.18**	16.12
Income on investments	**(4.67)**	(3.11)
Assets and CWIP written off	**10.05**	39.50
(Gain)/Loss on sale of assets	**0.18**	(9.15)
Bad debts, Liquidated damages and Provision for doubtful debts	**78.36**	77.14
Non Cash Expenses	**-**	1.58
Expense of Provision for warranty	**45.13**	32.70
Expense of Provision for Gratuity	**5.19**	2.43
ESOP expenses	**5.42**	0.78
Exchange rate fluctuation	**(4.67)**	(1.85)
Interest Charged	**159.80**	131.92
Operating Profit before Working Capital Changes	**972.24**	857.94
Adjusted for :		
Trade & Other Receivables	**(1,369.66)**	(582.57)
Inventories	**(283.76)**	(240.14)
Trade payables	**594.46**	128.18
Other financial liabilities	**565.10**	245.01
Other liabilities and provisions	**511.75**	27.84
	17.89	(421.68)
Cash Generated from Operations	**990.13**	436.26
Taxes Paid (Net)	**(132.00)**	(80.01)
Net Cash from Operating Activities (A)	**858.13**	356.25
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, Capital Work in Progress, Intangible Assets and Intangible Assets under development	**(973.93)**	(227.16)
Proceeds from disposal of Property, Plant and Equipment	**0.09**	12.51
Proceeds from bank deposits	**99.00**	60.00
Bank Deposits placed	**(68.00)**	(99.00)
Investment	**-**	(2.91)
Proceeds of Non Controlling Interest	**35.80**	-
Interest Received	**4.31**	3.42
Dividend Received	**0.08**	0.08
Net Cash used in Investing Activities (B)	**(902.65)**	(253.06)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of ESOP	**1.79**	2.11
Proceeds of Share warrant share aplication money	**68.41**	-
Dividend paid	**(34.32)**	(20.57)
Payment of lease liabilities	**(25.33)**	(18.75)
Proceeds from Borrowings	**345.70**	159.58
Repayment from Borrowings	**(124.51)**	(104.10)
Interest Paid	**(150.68)**	(125.65)
Net Cash used in Financing Activities (C)	**81.06**	(107.38)

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(₹ in millions)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
Net Changes in Cash & Cash Equivalents (A+B+C)	**36.54**	(4.19)
Cash & Cash Equivalents - Opening Balance	**11.34**	15.53
Exchange difference on translation of foreign currency cash and cash equivalents	**(1.95)**	-
Cash & Cash Equivalents - Closing Balance	**49.83**	11.34

Changes in liabilities arising from financing activites in accordance with Ind AS 7

(₹ in millions)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
Opening balances		
Non Current borrowing (Refer Note 22)	**284.00**	233.49
Current Borrowings (Refer Note 25)	**1,305.82**	1,055.83
	1,589.82	1,289.32
Cash Flow Movements		
Non Current borrowing	**41.04**	50.51
Current Borrowings	**735.38**	249.99
	776.42	300.50
Non Cash Movement (Foreign Exchange Movement)		
Non Current borrowing	**-**	-
Current Borrowings	**0.88**	-
	0.88	-
Closing balances		
Non Current borrowing (Refer Note 22)	**325.04**	284.00
Current Borrowings (Refer Note 25)	**2,042.08**	1,305.82
	2,367.12	1,589.82

Cash Flow from Supplier Financing Arrangement

Particulars	April 01, 2025	Cash Flow	Forex Changes	March 31, 2026
Carrying amount of financial liabilities that are part of Supplier financing arrangement				
- Presented in Trade Payables	-	51.35	-	**51.35**
- Presented in Other Financial Liability	-	-	-	**-**
Total	**-**	**51.35**	**-**	**51.35**

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31 2026

1 - OTHER NOTES ON FINANCIAL STATEMENTS AS AT, AND FOR THE YEAR ENDED MARCH 31, 2026

1.1 Corporate Information

Hind Rectifiers Limited ('Hirect' or 'the Group') is a public Group domiciled in India and is incorporated in 1958 under the provisions of the Companies Act, applicable in India. The principal place of business of the Group is located in Bhandup, Mumbai. The Group is principally engaged in developing, designing, manufacturing and marketing Power Semiconductor, Power Electronic Equipments and Railway Transportation Equipments.

1.2 Material Accounting Policies

a) Basis of Preparation of Consolidated Financial Statements

i) Compliance with IND-AS

These Consolidated financial statements of the group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

ii) Historical Cost Convention

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

1) Assets held for sale - measured at lower of carrying amount or fair value less cost to sell.

2) Defined benefit plans - plan assets measured at fair value.

3) Certain Financial Instruments that is measured at Fair value/Subsequently measured at amortized cost.

4) Share Based Payments.

iii) Rounding of amounts

The financial statements are presented in ₹ and all values are rounded to the nearest millions (₹ 0,00,000), except when otherwise indicated.

b) Material accounting judgements, estimates and assumptions

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

c) Current/non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle.
- Due to be settled within twelve months after the reporting period, or
- The entity does not have a right, as at the end of the reporting period, to defer settlement of the liability for at least twelve months after the reporting period, or such right does not have substance.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

d) Revenue recognition

The Group derives revenues primarily from sale of manufactured goods & rendering of services.

The Group has adopted Ind AS 115, Revenue from Contract with Customers with effect from April 01, 2018.

The Group's obligation to repair and replace faulty products under standard warranty terms is recognized as a provision.

Sale of Products

Revenue from contracts with customers is recognized when a performance obligation is satisfied by transfer of promised goods to a customer. Customers obtain control as per the terms of the respective contracts.

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which entity expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The entity includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer, ranging from 30 to 120 days.

Amounts disclosed in the revenue excludes GST.

Sale of services

Services rendered include Repairing and Servicing, AMC and Erectioning and Commissioning services.

Invoices are issued according to contractual terms and are usually receivable as per the credit period agreed with the customer.

Revenue from rendering of services is recognized over time as the customer receives the benefit of the Group's performance and the Group has an enforceable right to receive the payment for services transferred.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.

The Group is generally the principal as it typically controls the goods or services before transferring them to the customer.

Significant judgments are used in:

a. Determining the revenue to be recognized in case of performance obligation satisfied over a period of time. Revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

b. Determining the expected losses, which are recognized in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

c. Determining the method to be applied to arrive at the variable consideration requiring an adjustment to the transaction price.

Revenue includes adjustments made towards liquidated damages and price variation clause wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

Interest income

Interest income is recognized using the effective interest rate method.

Dividends

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established.

Export Incentives

Export incentives receivable under various schemes are accounted on accrual basis.

Government Incentives

The Group is entitled to incentives from government authorities in respect of manufacturing units located in developing regions. The Group accounts for it's entitlement as income on accrual basis.

Government grants are recognized when there is reasonable assurance that the grant will be received upon the Group complying with the conditions attached to the grant. If the government grants are by way of financial assistance on the basis of certain qualifying criteria are recognized as they become receivable.

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Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Group.

In the unlikely event that a grant previously recognized is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognized is expensed in the Statement of Profit and Loss.

e) Taxes

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Current tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the Group intends to settle the asset and liability on a net basis.

f) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, administrative and other general overhead expenses and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

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

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associated with the item will flow to the Group and the cost can be measured reliably. PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property,plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

g) Intangible assets

Intangible assets with finite useful lives that are acquired separately or developed in-house are carried at cost less accumulated amortization and accumulated impairment losses.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law or the likelihood of technical, technological obsolescence or commercial obsolescence. If, there are no such limitations, the useful life is taken to be indefinite. An intangible asset with an indefinite useful life is not amortized.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method .

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets representing

a. cost of software capitalized is amortized over its useful life which is estimated to be a period of five years.

b. cost of technical knowhow and product development capitalized are amortized over its useful life which is estimated to be a period of seven years.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on de-recognition are determined by comparing proceeds with carrying amount. These are included in profit or loss under other expenses/other income.

Development expenditure on new products is capitalized as intangible asset, if all of the following can be demonstrated:

1. The technical feasibility of completing the intangible asset so that it will be available for use or sale;
2. The Group has intention to complete the intangible asset and use or sell it;
3. The Group has ability to use or sell the intangible asset;
4. The manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
5. The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

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6. The Group has ability to reliably measure the expenditure attributable to the intangible asset during its development. Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Inventories

Cost of inventories comprises cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Taxes and duties subsequently recoverable from taxation authorities are excluded from the cost of inventories. Inventories are valued at the lower of cost and net realizable value, except scrap, which is valued at net realizable value. Appropriate provision is made, wherever necessary, for obsolete, slow-moving and defective inventories.

i) Raw Materials are valued at lower of cost and net realizable value. Cost is determined using the weighted average method.

ii) Work-in-Progress, Finished Goods and Stock-in-Trade are valued at lower of cost and net realizable value. Cost is determined using the weighted average method and includes direct labor and appropriate production overheads, wherever applicable.

iii) Scrap is valued at estimated net realizable value.

iv) Stores and Spares are valued at lower of cost and net realizable value.

v) Tools and Instruments are carried at book value.

Materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

j) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

When the possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made.

Contingent liability is disclosed in case of:

(i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence ofone or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation arising from past events where:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

k) Cash and cash equivalents

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

l) Employee Benefits

i) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employee renders the related service.

ii) Post Employment/Retirement Benefits

Defined Contribution plan

- Provident Fund is a defined contribution scheme established under State Plan. The contributions to the scheme are charged to Profit & Loss Account in the year when the contributions to the funds are due.
- Superannuation Fund is a defined contribution scheme and contribution to the scheme are charged to the Profit & Loss Account in the year when contributions are made in respect of employees covered under the scheme. The scheme is funded with Life Insurance Corporation of India.

Defined Benefit plan

The present value of the obligation under defined benefit retirement (gratuity) plan, is determined based on an actuarial valuation by an independent actuary at the end of each financial year. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

- The liability in respect of employees is provided and contributed to Life Insurance Corporation of India under Group Gratuity (Cash Accumulation) Scheme except;

  a) In case of Mananging Director and CEO and Executive Director, Gratuity liability, is provided in accordance with the terms of appointment.

  b) In case of Nashik Division it is provided on the basis of actuarial valuation.

  c) Employees working in Sweden office are not covered under this scheme as they are covered by the social security tax scheme as per Sweden laws.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

iii) Other Long Term Employee Benefits

The Group has other long term employee benefits in the form of Leave Encashment. The liability in respect of Leave Encashment is provided for on the basis of actuarial valuation made at the end of the financial year. The aforesaid Leave Encashment is not funded.

Actuarial gains/losses are recognized immediately to Other Comprehensive income,net of income taxes.

iv) Termination Benefits:

Compensation to employees who have opted for retirement under the Voluntary Retirement Scheme and termination of services of the employees by the Group is charged to the Statement of Profit and Loss account in the year on actual basis.

m) Research and Development

Research and development expenditures are accounted for in accordance with the principles laid down in Ind AS 38 – Intangible Assets.

Research Phase:

Expenditure incurred during the research phase of an internal project is expensed as incurred. Research activities are aimed at obtaining new knowledge and do not result in the creation of an asset that meets the recognition criteria under Ind AS 38.

Development Phase:

Expenditure on development activities is recognized as an intangible asset only if all of the following criteria are met:

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) The intention to complete the asset and use or sell it;

iii) The ability to use or sell the asset;

iv) How the asset will generate probable future economic benefits;

v) The availability of adequate technical, financial, and other resources to complete the development and to use or sell the asset;

vi) The ability to reliably measure the expenditure attributable to the asset during its development.

If the above conditions are not met, the development expenditure is charged to the Statement of Profit and Loss as incurred.

Capitalization and Amortization:

Development costs recognized as an intangible asset are measured initially at cost and are amortized on a systematic basis over their useful life, not exceeding ten years. The amortization method and useful life are reviewed at least annually.

Other Costs:

R&D costs that do not qualify for capitalization are recognized as expenses in the period in which they are incurred. Property, plant and equipment acquired for R&D purposes are capitalized under Ind AS 16 and depreciated over their estimated useful lives.

Expenses incurred till the research phase are charged in the statement of profit and loss whereas the expenses for the development phase are capitalized as Intangible assets on completion of certain conditions.

n) Effects of Changes in Foreign Exchange Rates

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

2) Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

3) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

4) In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit or loss after tax and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Dilutive potential equity shares are deemed to be considered as at the beginning of the period unless issued at a later date.

p) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Group classified as held for sale continue to be recognized.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortized.

q) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a noncash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

r) Provision for Warranty

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. In certain contracts, the Group provides warranty for an extended period of time and includes rectification of defects that existed at the time of sale and are normally bundled together with the main contract. Such bundled contracts include two performance obligations because the promises to transfer the goods and services and the provision of service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognized as a liability. Revenue is recognized over the period in which the service-type warranty is provided on a basis appropriate to the nature of the contract and services to be rendered.

Provision made as at March 31, 2026 represents the amount of the expected cost of meeting such obligations of rectification/replacement as per acturial valuation report. The timing of the outflows is expected to be within a period of 1 to 6 years from the date of Balance Sheet.

Provisions for warranty-related costs are recognized annually.

s) Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, Capital Work-in-Progress, intangible assets and Intangible asset under development are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE, Capital Work-in-Progress, intangible assets and Intangible asset under development are tested for impairment so as to determine the impairment loss, if any.

Intangible assets with indefinite life are tested for impairment each year. Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the fair value less costs to sell and the value-in-use; and

(ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs to sell and the value-in-use.

The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the Group and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognized immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

t) Leases

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognized at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments, discounted using the Group's incremental borrowing rate.

The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. Interest on lease liability is recognized using the effective interest method.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated

depreciation and cumulative impairment, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

u) Share based Payment

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

If granted number of shares lapse after the vesting period, the cumulative amount recognized as expense in respect of such granted share is transferred to the retained earnings.

v) Operating Segment

Operating segments are reported in the manner consistent with the internal reporting provided by the Chief Operating Decision Maker (CODM). Chairman and Managing Director of the Group has been identified as CODM. Group has identified only one reportable segment.

w) Financial Instruments:

Financial assets - Initial recognition

Financial assets are recognized when the Group becomes party to a contract embodying the related financial instruments. All financial assets are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are attributable to the acquisition of financial assets at fair value through profit and loss are added to or deducted from as the case may be, from the fair value of such financial assets on initial recognition.Subsequent measurement Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(i) the entity's business model for managing the financial assets and;

(ii) the contractual cash flow characteristics of the financial asset.

(1) Measured at amortized cost:

A financial asset is measured at amortized cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortized cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognized to Statement of Profit and Loss.

(2) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognized in the OCI, except for interest income which recognized using EIR method. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in the OCI is reclassified from the equity to Statement of Profit and Loss.

(3) **Measured at fair value through profit or loss (FVTPL):**

Investment in financial asset other than equity instrument, not measured at either amortized cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized in the Statement of Profit and Loss.

Equity Instruments:

For all equity instruments, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognized in Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in the OCI. Amounts recognized in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized in Statement of Profit and Loss.

Impairment:

The Group recognizes a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortized cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Group's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Group does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group 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 the 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 financial assets other than trade receivables, the Group recognizes 12–month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognized in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognized at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement:

Financial liabilities measured at amortized cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

A financial liability is de-recognized 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

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

Fair Value measurement:

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

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

x) Exceptional Item

Exceptional item is an item of income or expense within the consolidated statement of profit and loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Group for the period. The nature and amount of such item is disclosed separately in the consolidated statement of profit and loss.

1.3 Critical Accounting Estimates

The preparation of these consolidated financial statements requires the management to make judgments, use 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 judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Leases

The Group 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. After the commencement date, the Group reassesses the lease term if there is a material 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.

b) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships 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 Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

c) Gratuity benefit and Leave obligation

The cost of defined benefit plans (i.e. Gratuity benefit) and other long term employee obligations (i.e Leave obligation) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation and leave obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 58.

d) Impairment of Financial and Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the Group estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

f) Recoverability of Trade Receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of expected future payments and any possible actions that can be taken to mitigate the risk of non-payment.

g) Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognized for deductible temporary differences and unused tax losses for which there is probability of utilization against the future taxable profit. The Group uses judgement to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits and business developments.

h) Provisions

The Group estimates the provisions that have present obligations arising from a result of past events and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

i) Useful Lives Of Property, Plant And Equipment And Intangible Assets

The Group reviews the useful life of property, plantand equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods.

Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company has reviewed the new pronouncements and based on its evaluation has determined the impact thereof on its financial statements as set out below.

A. Effective from April 01, 2025

(i) Ind AS 21 — The Effects of Changes in Foreign Exchange Rates

The amendment clarifies accounting for currencies that lack exchangeability and requires use of an estimation technique to determine the exchange rate in such cases. The Company's foreign currency transactions and balances are denominated in freely exchangeable currencies (USD, EUR, AED and CHF). Accordingly, the Company has reviewed the amendment and determined that it does not have any significant impact in its financial statements.

(ii) Ind AS 1 — Presentation of Financial Statements

The amendment removes the requirement of an 'unconditional right' to defer settlement of a liability and instead requires that the right to defer must exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company's non-current borrowings are not subject to any financial covenants and the right to defer repayment is substantive as at March 31, 2026. Accordingly, the Company has no impact of this amendment in its classification of current and non-current liabilities.

(iii) Ind AS 7 — Statement of Cash Flows and Ind AS 107 — Financial Instruments: Disclosures

The amendments require entities to disclose information about supplier finance arrangements, including the nature of the arrangements, the carrying amount of liabilities forming part of such arrangements and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

(iv) Ind AS 12 — Income Taxes (Pillar Two Model Rules)

The amendment provides a mandatory temporary exception from deferred tax accounting for Pillar Two top-up taxes and requires entities to disclose whether they have applied the exception. The Pillar Two rules apply to multinational enterprise groups with annual consolidated revenues of €750 million or more. The Company's consolidated revenue is significantly below this threshold and the Company is not within the scope of Pillar Two legislation. The mandatory temporary exception has been applied by the Company.

B. Standards Issued but Not Yet Effective

Ind AS 1 — Presentation of Financial Statements

An amendment effective for annual periods beginning on or after April 01, 2026 (to be applied retrospectively) clarifies that where a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current even if the lender subsequently agrees not to demand repayment. The liability may be classified as non-current only if the lender has, before the reporting date, granted a grace period of at least 12 months within which the breach can be rectified and repayment cannot be demanded. The Company's non-current borrowings are not subject to any financial covenants. Accordingly, this amendment is not expected to have any impact on the financial statements of the Company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in millions)

Details of Assets	Land		Road	Buildings	Plant & Machinery	Furniture & Fixture	Vehicles	Computers	Total
	Freehold	Leasehold							
Gross carrying amount									
Balance as at March 31, 2024	**12.43**	**39.65**	**4.44**	**319.57**	**553.79**	**45.93**	**29.97**	**22.03**	**1,027.80**
Additions	-	-	-	2.68	155.24	2.45	17.67	9.06	**187.10**
Disposals	-	-	-	-	22.18	11.62	2.86	0.27	**36.93**
Reclassification as held for sale	12.22	-	2.46	39.01	6.59	-	-	-	**60.29**
Balance as at March 31, 2025	**0.21**	**39.65**	**1.98**	**283.24**	**680.25**	**36.77**	**44.77**	**30.83**	**1,117.68**
Additions	23.02	-	-	443.11	446.27	9.91	4.47	5.90	**932.67**
Disposals	-	-	-	-	0.80	1.81	0.87	2.37	**5.85**
Balance as at March 31, 2026	**23.23**	**39.65**	**1.98**	**726.34**	**1,125.72**	**44.86**	**48.37**	**34.36**	**2,044.51**
Accumulated depreciation									
Balance as at March 31, 2024	**-**	**2.46**	**4.22**	**47.17**	**147.36**	**26.52**	**14.00**	**18.01**	**259.73**
Additions	-	0.42	-	8.48	33.02	2.66	4.36	2.55	**51.49**
Disposals	-	-	-	-	18.45	10.86	2.72	0.25	**32.28**
Reclassification as held for sale	-	-	2.34	19.25	6.12	-	-	-	**27.71**
Balance as at March 31, 2025	**-**	**2.88**	**1.88**	**36.39**	**155.81**	**18.32**	**15.64**	**20.30**	**251.23**
Additions	-	0.42	-	15.54	53.71	3.31	5.16	4.68	**82.81**
Disposals	-	-	-	-	0.01	1.72	0.83	2.20	**4.75**
Balance as at March 31, 2026	**-**	**3.30**	**1.88**	**51.93**	**209.51**	**19.92**	**19.97**	**22.78**	**329.29**
Net carrying amount									
Balance as at March 31, 2024	**12.43**	**37.18**	**0.22**	**272.40**	**406.43**	**19.42**	**15.97**	**4.02**	**768.07**
Balance as at March 31, 2025	**0.21**	**36.76**	**0.10**	**246.84**	**524.44**	**18.44**	**29.13**	**10.52**	**866.46**
Balance as at March 31, 2026	**23.23**	**36.35**	**0.10**	**674.41**	**916.21**	**24.94**	**28.40**	**11.58**	**1,715.21**

1. Borrowing costs of ₹ 18.79 millions have been capitalized for the year ended March 31, 2026 (Previous year ₹ 7.76 millions)

2. The Group has availed working capital facilities, non fund based facilities and long term borrowings against which some of the borrowings are secured against the property, plant and equipment as per the terms and conditions of the borrowings. The details of property, plant and equipment which have been kept as security are disclosed in Note No. 22 and 25 of the Financial Statements.

3. Estimated useful life of the following assets is in line with useful life prescribed in schedule II of the Companies Act, 2013:

Asset Class	Minimum useful life (in years)	Maximum useful life (in years)
Land	95	95
Road	10	10
Buildings	30	60
Plant & Equipment	15	15
Furniture & Fixture	10	10
Vehicles	8	8
Computer	3	3

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 2A: RIGHT OF USE ASSET AND LEASE LIABILITIES

i. Right of Use Assets (Building)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
As at beginning of the year	**47.64**	59.20
Add - Additions	**47.48**	5.31
Less-Adjustments	**0.12**	0.75
Less -Depreciation for the year	**22.18**	16.12
As At end of the year	**72.82**	47.64

ii. Lease Liability

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
As at beginning of the year	**52.85**	61.54
Recognized during the year	**47.48**	5.07
Interest expense accrued during the year	**5.26**	5.74
Less-Adjustments	**-**	0.75
Payment during the year	**26.27**	18.75
As At end of the year	**79.32**	52.85
Cash Outflow for lease includes :		
Payment of Principal Payment of Lease Liability	**21.01**	13.01
Interest Paid on Lease Liability	**5.26**	5.74
Total	**26.27**	18.75
Lease liabilities as at:		
Non Current	**61.16**	37.27
Current	**18.16**	15.58

iii. Amount Recognized in the Statement of Profit or Loss:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation expense of right-of-use assets	**22.18**	16.12
Interest expense on lease liabilities	**5.26**	5.74
Total	**27.44**	21.86

Rent expenses recognized in statement of profit and loss account not included in the measurement of lease liability:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Rent expense	**2.39**	2.58
Total	**2.39**	2.58

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 3: CAPITAL WORK IN PROGRESS

(₹ in millions)

Details of Assets	Capital Work in Progress Others	Total
Gross carrying amount		
Balance as at March 31, 2024	**81.60**	**81.60**
Additions	88.70	88.70
Disposal/capitalised during the year	**101.86**	**101.86**
Balance as at March 31, 2025	**68.44**	**68.44**
Additions	630.29	630.29
Disposals/capitalised	665.74	665.74
Balance as at March 31, 2026	**32.99**	**32.99**
Net carrying amount		
Balance as at March 31, 2024	**81.60**	**81.60**
Balance as at March 31, 2025	**68.44**	**68.44**
Balance as at March 31, 2026	**32.99**	**32.99**

Note:

1. During the year, the Group capitalized borrowing costs amounting to ₹ 18.79 millions (Previous year: ₹ 5.46 millions) to the cost of qualifying assets.

   Of the total capitalized amount, ₹ 18.41 millions (Previous year: ₹ 0.33 millions) pertains to specific borrowings directly attributable to the acquisition/construction of a qualifying asset.

   The remaining ₹ 0.38 millions (Previous year: 2.19 millions) was capitalized from general borrowings, applying a capitalization rate of 9.03 % per annum (Previous year: 9.49%)

   During the year ended March 31, 2026, ₹ 18.79 millions of borrowing costs are transferred from Capital Work in Progress to PPE.

2. The details of property, plant and equipment which have been kept as security are disclosed in Note No. 22 and 25 of the Financial Statements.

NOTE 4: INTANGIBLE ASSETS

(₹ in millions)

Details of Assets	Technical Knowhow	Computer Software	Product Development	Total
Gross carrying amount				
Balance as at March 31, 2024	**66.57**	**25.71**	**124.41**	**216.70**
Additions	10.65	3.22	91.06	104.93
Disposals	-	-	-	-
Balance as at March 31, 2025	**77.22**	**28.93**	**215.48**	**321.63**
Additions	-	12.63	36.87	49.50
Disposals	-	-	6.54	6.54
Balance as at March 31, 2026	**77.22**	**41.56**	**245.81**	**364.59**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Details of Assets	Technical Knowhow	Computer Software	Product Development	Total
Accumulated depreciation				
Balance as at March 31, 2024	62.23	22.04	63.49	147.75
Additions	1.28	2.12	13.86	17.26
Disposals	-	-	-	-
Balance as at March 31, 2025	63.51	24.16	77.35	165.01
Additions	2.75	2.39	28.32	33.46
Disposals	-	-	6.54	6.54
Balance as at March 31, 2026	66.25	26.55	99.13	191.93
Net carrying amount				
Balance as at March 31, 2024	4.34	3.68	60.92	68.94
Balance as at March 31, 2025	13.71	4.78	138.12	156.61
Balance as at March 31, 2026	10.97	15.01	146.68	172.65

Note:

1. The amortization expense of intangible assets has been included under Note 36 in the Statement of Profit and Loss.
2. Borrowing costs of ₹ Nil have been capitalized for the year ended March 31, 2026 (Previous year ₹ 9.44 millions)

NOTE 5: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in millions)

Details of Assets	Technical Knowhow	Computer Software	Product Development	Total
Gross carrying amount				
Balance as at March 31, 2024	9.78	-	133.03	142.81
Additions	0.66	0.98	56.47	58.11
Capitalised during the year	9.78	-	138.26	148.04
Balance as at March 31, 2025	0.66	0.98	51.24	52.89
Additions	-	9.39	54.09	63.48
Disposals/capitalised	-	6.35	38.80	45.15
Balance as at March 31, 2026	0.66	4.03	66.53	71.22
Net carrying amount				
Balance as at March 31, 2024	9.78	-	133.03	142.81
Balance as at March 31, 2025	0.66	0.98	51.24	52.89
Balance as at March 31, 2026	0.66	4.03	66.53	71.22

NOTE 6: NON-CURRENT INVESTMENTS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments measured at Fair value through Profit and Loss		
Fully paid equity shares (unquoted)*		
Apna Sahakari Bank Ltd.	**0.75**	0.75
TJSB Sahakari Bank Ltd.	**0.50**	0.50
Saraswat Co operative Bank Ltd.	**0.03**	0.03
TOTAL	**1.28**	1.28

Note: *Since the Investments consists of Shares taken for loan, the fair value of investments is equal to the cost of the investments.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 7: LOANS - NON CURRENT

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets valued at Amortized Cost		
Unsecured, Considered Good		
Staff Loans	-	0.01
TOTAL	-	0.01

Note: No Loan is due from directors or other officers of the Company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

NOTE 8: OTHER NON CURRENT FINANCIAL ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets valued at Amortized Cost		
Unsecured, Considered Good		
Security Deposits Given to Government & Other Bodies	**13.64**	8.36
Retention Money	**2.53**	3.62
Earnest Money Deposits	**50.27**	3.56
Bank deposits with more than 12 months maturity	-	99.00
TOTAL	**66.44**	114.54

NOTE 9: DEFERRED TAX LIABILITY (NET)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets	**282.59**	50.38
Deferred Tax Liability	**328.71**	77.00
MAT Credit Entitlement	-	11.31
TOTAL	**(46.12)**	(15.31)

*Refer note no. 38

NOTE 10: OTHER NON-CURRENT ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances	**29.46**	191.1
Rental Security Deposit	**4.27**	3.87
TOTAL	**33.73**	195.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 11: INVENTORIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Materials and components (Including Packing material)	**811.62**	643.13
Work-in-progress	**511.15**	532.15
Finished goods	**135.58**	9.84
Stores and Spares	**2.15**	0.61
Loose Tools and Instruments	**26.43**	20.54
Stock of Scrap	**4.15**	1.06
TOTAL	**1,491.08**	1,207.33

Note:

i. Refer Note 1 on Financial Statements for Accounting Policy of Inventory Valuation.

ii. Refer Note 22 & 25 of Financial Statements for Inventories on hypothecation as security.

iii. Inventory write downs are accounted, considering the nature of inventory, ageing, and net realizable value. Write-downs of inventories as on closing date amounted to ₹ 53.44 millions as at March 31, 2026 (as at 31st March,2025 ₹ 34.11 millions). Write-downs were recognized as an expense and included in 'Cost of materials consumed' and 'changes in inventories of finished goods, work-in-progress and stock-in-trade' in the Statement of Profit and Loss.

iv. The Company has availed working capital facilities, other non fund based facilities and long term borrowings against which some of the borrowings are secured by hypothecation of inventories.

v. The above includes goods in transit as under:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Materials and components (Including Packing material)	**44.60**	59.42
Finished goods	**55.32**	0.10
TOTAL	**99.92**	59.51

NOTE 12: TRADE RECEIVABLES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good - Secured	**193.56**	0.32
Less : Allowance for Expected Credit Loss	**-**	-
Trade Receivables considered good - Unsecured	**2,213.16**	1,068.29
Less : Allowance for Expected Credit Loss	**-**	-
Trade Receivables which have significant increase in Credit risk	**90.45**	108.34
Less : Allowance for Expected Credit Loss	**(32.94)**	(81.45)
Trade receivables - credit impared	**-**	-
Less : Allowance for Expected Credit Loss	**-**	-
TOTAL	**2,464.23**	1,095.50

Note: No Trade Receivable is due from directors or other officers of the Company either severally or jointly with any other person.

Trade Receivable due from firms or private companies in which any director is a partner or a director or a member is ₹41.53 millions as on March 31, 2026 (₹ 48.96 millions as on March 31, 2025)

Trade Receivables are non interest bearing and are generally on terms of 30 to 120 days of credit period, except retention money which is due after certain period/event.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Trade Receivables ageing schedule - March 2026

(₹ in millions)

Particulars	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
(i) Undisputed Trade receivables – considered good	1,848.60	545.54	4.92	7.66	-	-	**2,406.72**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	49.19	10.42	1.04	10.72	**71.37**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	0.37	0.37	1.70	5.21	11.44	**19.08**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Less : Allowance for Expected Credit Loss	-	-	-	-	-	-	**(32.94)**
TOTAL							**2,464.23**

Trade Receivables ageing schedule - March 2025

(₹ in millions)

Particulars	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
(i) Undisputed Trade receivables – considered good	706.61	354.42	7.58	-	-	-	**1,068.61**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	20.84	10.73	1.05	12.67	**45.29**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	7.06	33.57	7.09	5.00	10.33	**63.05**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Less : Allowance for Expected Credit Loss	-	-	-	-	-	-	**(81.45)**
TOTAL							**1,095.50**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 13: CASH AND CASH EQUIVALENTS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Balances with banks		
In Current Account	**39.12**	2.89
b. Cash on hand	**0.02**	0.05
TOTAL	**39.14**	2.93

NOTE 14: OTHER BANK BALANCES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Balances with banks		
In Unclaimed Dividend Account	**9.34**	5.24
In Margin Account*	**1.14**	2.91
b. Fixed Deposits (Earnest Money Deposits)	**0.21**	0.26
TOTAL	**10.69**	8.40

*Pledged against BG & CC Limit

NOTE 15: OTHER CURRENT LOANS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets valued at Amortized Cost		
Unsecured, Considered Good		
Staff Loans	**0.05**	0.63
TOTAL	**0.05**	0.63

Note: No Loan is due from directors or other officers of the Company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

NOTE 16: OTHER CURRENT FINANCIAL ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets carried at Amortized Cost		
Earnest Money Deposits	**3.60**	59.02
Less: Provision for Doubtful Amounts	**(0.96)**	(0.82)
Retention Money	**31.94**	31.61
Less: Provision for Doubtful Amounts	**(6.08)**	(2.83)
Interest Income accrued but not due	**48.69**	0.69
Fixed Deposits with Bank	**68.00**	-
TOTAL	**145.19**	87.67

NOTE 17: CURRENT TAX LIABILITIES (NET)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Tax (Net of Advance Tax/Tax Deducted at Source)	**11.88**	23.46
TOTAL	**11.88**	23.46

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 18: OTHER CURRENT ASSETS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with GST, Customs and Port Trust etc.	**29.94**	25.88
Advance to Staff	**0.15**	0.74
Advance to Others	**46.73**	17.14
Incentive Income accrued	**29.73**	13.33
Unbilled Service Revenue	**82.91**	70.27
Advance to Suppliers	**93.97**	118.69
Less : Provision for Doubtful Amounts	**(11.80)**	(11.06)
TOTAL	**271.63**	234.99

NOTE 19: ASSETS HELD FOR SALE

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Land	**12.34**	12.34
Building	**19.76**	19.76
Plant and Machinery	**0.24**	0.48
TOTAL	**32.34**	32.58

NOTE 20: EQUITY SHARE CAPITAL

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized Capital		
5,00,00,000 Equity Shares of ₹ 2/- each (Previous year 5,00,00,000 Equity Shares of ₹ 2/- each)	**100.00**	100.00
Issued Capital		
3,43,67,614 Equity Shares of ₹ 2/- each (Previous year 1,71,62,675 Equity Shares of ₹ 2/- each)	**68.74**	34.33
TOTAL	**68.74**	34.33
Subscribed and Paid up Capital		
3,43,67,614 Equity Shares of ₹ 2/- each (Previous year 1,71,62,675 Equity Shares of ₹ 2/- each)	**68.74**	34.33
TOTAL	**68.74**	34.33

a. The details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% held	No. of shares	% held
Mr. Suramya Nevatia	**51,49,536**	**14.98**	25,74,768	15.00
Mr. Saurabh Nevatia	**72,16,876**	**21.00**	36,08,438	21.02
BTR Industries Limited	**48,00,000***	**13.97**	24,00,000	13.98

*includes 24,00,000 bonus equity shares allotted on March 30, 2026. The said equity shares are lying in the Demat Suspense Escrow Account in compliance with the Reg.294(6) of SEBI ICDR Regulations.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

b. Reconciliation of number of shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of shares	₹ In millions	No of shares	₹ In millions
Equity Shares at the beginning of the year	**1,71,62,675**	**34.33**	1,71,37,860	34.28
Add: Shares Issued during the year	**-**	**-**	24,815	0.05
Add: Shares Issued on exercise of stock options	**21,132**	**0.04**	-	0.00
Less: Shares bought back during the year	**-**	**-**	-	-
	1,71,83,807	**34.37**	1,71,62,675	34.33
Add: Allotment of Bonus Shares	**1,71,83,807**	**34.37**	-	-
Equity Shares at the end of the year	**3,43,67,614**	**68.74**	1,71,62,675	34.33

c. Shareholding of Promoters

Name of Promoter	As at March 31, 2026		As at March 31, 2025	
	No of shares	% of total shares	No of shares	% of total shares
Saurabh Nevatia	**72,16,876**	**21.00**	36,08,438.00	21.02
Suramya Saurabh Nevatia	**51,49,536**	**14.98**	25,74,768.00	15.00
Suryansh Saurabh Nevatia	**9,57,000**	**2.78**	4,72,000.00	2.75
Shriya Saurabh Nevatia	**7,20,400**	**2.10**	3,55,200.00	2.07
Bharti Nevatia	**5,42,200**	**1.58**	2,71,100.00	1.58
Surabhi Golyan	**5,00,000**	**1.45**	2,50,000.00	1.46
Saurabh Nevatia HUF	**-**	**-**	11,500.00	0.07
Akshada S Nevatia	**11,700**	**0.03**	5,850.00	0.03
TOTAL	**150,97,712**	**43.92**	75,48,856.00	43.98

Note:

1. The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.
2. Equity shares movement during the period of five years immediately preceding the date at which the Balance Sheet is prepared
   (a) The aggregate number of sweat equity shares issued pursuant to contract, without payment being received in cash, in immediately preceding five years ended on March 31, 2026: - 5,50,000 shares issued in 2022-23. (Previous period of five years ended March 31, 2023: - 5,50,000 shares issued in 2022-23)
   (b) The Company has not bought back any shares during the period of five years immediately preceding March 31, 2026. (Previous period of five years ended March 31, 2025: - Nil)
   The Company has issued 1,71,83,807 bonus shares during the year ended March 31, 2026 (Previous period of five years ended March 31, 2025: - Nil).
   (c) 21,132 ESOP Options exercised during the year and 24,815 ESOP Options exercised during the previous year.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 21: OTHER EQUITY

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium		
Opening Balance	**230.86**	226.22
Add: ESOP Exercised (Proceeds received)	**4.00**	4.64
Less: Bonus shares issued	**(34.37)**	-
Closing Balance	**200.49**	230.86
Note : Securities Premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.		
General Reserve		
Opening Balance	**655.84**	655.42
Add: Transferred from ESOP Reserve	**-**	0.43
Closing Balance	**655.84**	655.84
Note: General Reserve is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.		
Share based payment reserve		
Opening balance	**3.36**	5.59
Less: Options Excercised	**(2.24)**	(2.58)
Less: Options Lapsed	**-**	(0.43)
Add: ESOP Expenses recognized during the year	**5.42**	0.78
Closing Balance	**6.54**	3.36
Share Warrant Application money		
Opening balance	**-**	-
Add: Share warrant application money received	**68.41**	-
Closing Balance	**68.41**	-
Other Comprehensive Income reserve		
Opening balance	**4.97**	5.00
Transfer from Retained earnings	**-**	-
Actuarial Gains/(Loss) on post-employment defined benefit plan	**(7.58)**	(0.04)
Tax on above	**1.91**	0.01
Foreign Currency Translation Reserve	**1.29**	(0.01)
Closing Balance	**0.59**	4.96
Note: Other Comprehensive Income reserve refers to a component of shareholders' equity that accumulates the gains and losses recognized in Other Comprehensive Income (OCI) in the Statement of Profit and Loss.		
Retained Earnings		
Opening balance	**669.35**	318.79
Add: Profit for the period	**450.08**	371.13
Less: Transferred to Other Comprehensive Income reserve	**-**	-
Less: Dividend	**(34.32)**	(20.57)
Closing Balance	**1,085.11**	669.35
Note: Retained Earnings represents the statement of Profit and Loss of the Company. This reserve will be utilized in accordance with the provisions of the Companies Act, 2013.		
TOTAL	**2,016.98**	1,564.37

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 22: NON CURRENT BORROWINGS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities carried at amortized cost		
SECURED		
i. Term Loan	**318.49**	272.24
(refer note a below)		
ii. Vehicle Loan	**6.55**	11.76
(refer note b below)		
TOTAL	**325.04**	284.00

Notes:

a.

(₹ in millions)

Particulars	Security	As at March 31, 2026	As at March 31, 2025
Loan from IDFC Bank Sanctioned amount of ₹ 600 lakhs and disbursed amount till March 31, 2026 is ₹ 448.32 lakhs. Repayable in tranchewise 16 equal quarterly instalments and moratorium of 1 year starting from September 22.	Secured by way of first pari passu charge on all the moveable properties including plant and machinery, machinery spares, tools and accessories and other movables situated at Bhandup, Mumbai and also hypothecation of stocks and book debts of the Company and mortgage of the land and building situated at Bhandup, Mumbai.	**-**	7.33
Loan from Saraswat Bank (Sanctioned amount of ₹ 350 lakhs and disbursed amount till March 31, 2026 is ₹ 350 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from August 22.)	Secured by way of hypothecation of plant and machinery and other fixed assets installed at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc.at Satpur and Sinnar plant.	**2.55**	9.63
Loan from Saraswat Bank (Sanctioned amount of ₹ 750 lakhs and disbursed amount till March 31, 2026 is ₹ 750 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from October 22.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur and Sinnar plant.	**8.75**	23.75
Loan from Saraswat Bank (Sanctioned amount of ₹ 300 lakhs and disbursed amount till March 31, 2026 is ₹ 291.40 lakhs. Repayable in 84 monthly instalments including moratorium of 12 months starting from July 2023.)	Secured by way of mortgage of land and building situated at Plot No. 110 & 111, Satpur MIDC, Nashik.	**10.88**	15.86

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	Security	As at March 31, 2026	As at March 31, 2025
Loan from Saraswat Bank (Sanctioned amount of ₹ 600 lakhs and disbursed amount till March 31, 2026 is ₹ 600.00 lakhs. Repayable in 84 monthly instalments including moratorium of 12 months starting from July 2023.)	Secured by way of hypothecation of plant and machinery situated at Sinnar and collateral security of Satpur land and building situated at Plot No. 110 & 111, Satpur MIDC, Nashik.	**23.35**	33.34
Loan from Saraswat Bank (Sanctioned amount of ₹ 800 lakhs and disbursed amount till March 31, 2026 is ₹ 800 lakhs. Repayable in 50 monthly instalments starting from February 2024.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**19.10**	38.06
Loan from Saraswat Bank (Loan of ₹ 220 lakhs. Repayable in 69 monthly instalments starting from November 2025 including moratorium of 9 months starting from February 2025.)	Secured by hypothecation of plant and machinery at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**16.16**	0.00
Loan from Saraswat Bank (Loan of ₹ 1650 lakhs. Repayable in 69 monthly instalments starting from November 2025 including moratorium of 9 months starting from February 2025.)	Secured by hypothecation of plant and machinery at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**115.96**	77.92
Loan from Saraswat Bank (Loan of ₹ 1475 lakhs. Repayable in 69 monthly instalments starting from December 2025 including moratorium of 9 months starting from March 2025.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**110.75**	49.37
Loan from Saraswat Bank (Loan of ₹ 55 lakhs. Repayable in 69 monthly instalments starting from February 2026 including moratorium of 9 months starting from May 2025.)	Secured by hypothecation of plant and machinery at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur plant.	**4.24**	0.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	Security	As at March 31, 2026	As at March 31, 2025
Loan from Apna Sahakari Bank (Sanctioned amount of ₹ 150 lakhs and disbursed amount till March 31, 2026 is ₹ 150 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from August 22.)	Secured by way of hypothecation of plant and machinery and other fixed assets installed at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc.at Satpur and Sinnar plant.	**1.82**	4.68
Loan from Apna Sahakari Bank (Sanctioned amount of ₹ 350 lakhs and disbursed amount till March 31, 2026 is ₹ 350 lakhs. Repayable in 75 monthly instalments including moratorium of 15 months starting from October 22.)	Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur and Sinnar plant.	**4.93**	12.30
TOTAL		**318.49**	272.24

b. **Vehicle Loan**

(₹ in millions)

Particulars	Security	As at March 31, 2026	As at March 31, 2025
Vehicle Loan from TJSB Sahakari Bank Ltd - Loan of ₹ 12.96 lakhs. Repayable in 84 monthly instalments starting from January 2024.	Secured by hypothecation of Motor Car No. MH-15-JM-7893 .	**-**	0.97
Vehicle Loan from ICICI Bank - Loan of ₹ 50 lakhs. Repayable in 36 monthly instalments starting from Mar 2024.	Secured by hypothecation of Motor Car No. MH-04-KR-00-99.	**-**	1.72
Vehicle loan from Mercedes - Loan of ₹ 130 lakhs. Repayable in 60 monthly instalments starting from July 2024	Secured by hypothecation of Motor Car No. MH-01-ER-4070.	**6.55**	9.07
TOTAL		**6.55**	11.76

The Company's non-current borrowings detailed above are not subject to any financial covenants. The right to defer repayment of these borrowings beyond twelve months from the reporting date is pursuant to the contractual repayment schedules as set out above and is substantive as at March 31, 2026.

NOTE 23: OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities valued at amortized cost		
Dealership Deposit	**0.80**	0.80
TOTAL	**0.80**	0.80

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 24: NON CURRENT PROVISIONS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits		
Provision for Gratuity (refer note 58)	**131.67**	24.61
Provision for Leave encashment	**16.85**	6.25
Provision for Warranty (refer note 63)	**17.61**	21.65
TOTAL	**166.13**	52.51

NOTE 25: CURRENT BORROWINGS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities carried at amortized cost		
SECURED		
a. Loan from Banks		
i) Cash Credit	**1,824.99**	1,115.96
ii) Overdraft (for EMD)	**78.69**	87.29
b. Current maturities of long term debt	**138.40**	102.57
TOTAL	**2,042.08**	1,305.82

Note:

1. Cash credit secured by first charge against all movable and immovable assets both present and future situated at Bhandup, Mumbai and also by hypothecation of stocks and book debts of the Company ranking pari- passu in favor of ICICI Bank Ltd, Standard Chartered Bank, TJSB Sahakari Bank Ltd, CITI Bank and IDFC First Bank Limited.
2. Overdraft secured by first charge against all movable and immovable assets both present and future situated at Bhandup, Mumbai and also by hypothecation of stocks and book debts of the Company and also tender deposits/earnest money deposits paid by the Company ranking pari- passu in favor of Standard Chartered Bank and TJSB Sahakari Bank Ltd.
3. Current maturities of long term debt includes the amounts repayable within a period of one year in respect of Non Current Borrowings in Note 22 of the Financial Statements.

NOTE 26: TRADE PAYABLES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	**29.07**	14.30
Total outstanding dues of creditors other than micro and small enterprises	**1,159.88**	584.86
TOTAL	**1,188.95**	599.16

Note: Also refer Note 45 of Financial Statements

Ageing Schedule of Trade Payables as at March 2026

(₹ in millions)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2-3 Years	More than 3 years	Total
(i) MSME	29.07	-	-	-	-	**29.07**
(ii) Others	240.32	907.87	7.21	0.33	4.16	**1,159.88**
(iii) Disputed dues – MSME	-	-		-	-	
(iv) Disputed dues – Others	-	-		-	-	
						1,188.95

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Ageing Schedule of Trade Payables as at March 2025

(₹ in millions)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2-3 Years	More than 3 years	Total
(i) MSME	14.30	-	-	-	-	**14.30**
(ii) Others	236.53	322.73	11.75	8.21	5.64	**584.86**
(iii) Disputed dues – MSME	-	-	-	-	-	
(iv) Disputed dues – Others	-	-	-	-	-	
						599.16

The Company participates in a Trade Receivables Discounting System (TReDS) platform — an RBI-regulated electronic platform — to facilitate early payment to its MSME vendors. Under the arrangement, the Company upload invoices on the TReDS platform; a financier (bank/NBFC-Factor) pays the MSME and charges interest from the Company; and the Company settles the amount due directly to the financier on the original invoice due date or agreed date. The carrying amount of MSME trade payables that are part of this arrangement as at March 31, 2026 is ₹ 57.34 Mn (March 31, 2025: Nil). Refer Note 73 for further disclosures as required under Ind AS 7 and Ind AS 107.

NOTE 27: OTHER CURRENT FINANCIAL LIABILITIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities carried at amortized cost		
Interest Accrued But not Due	**6.50**	1.81
Unclaimed Dividend	**9.30**	5.20
Sundry Creditors for Capital Goods	**56.54**	7.52
Provision for Bonus	**2.54**	7.34
Other payables	**144.44**	104.87
TOTAL	**219.32**	126.75

NOTE 28: OTHER CURRENT LIABILITIES

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances		
Advance from Customers	**37.38**	37.74
Amount received against sale of assets	**30.79**	-
Others		
Statutory Liabilities	**234.42**	34.81
TOTAL	**302.59**	72.55

NOTE 29: CURRENT PROVISIONS

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits		
Provision for Gratuity (refer note 58)	**5.62**	3.11
Provision for Leave encashment	**106.15**	1.19
Provision for Warranty (refer note 63)	**45.07**	36.68
Provision for loss at termination	**23.56**	-
TOTAL	**180.40**	40.97

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 30: REVENUE FROM OPERATIONS

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of Products	**9,642.84**	6,313.63
Sale of Services	**328.63**	228.82
Other Operating Income		
Government incentives	**18.17**	9.60
Export Incentives	**1.61**	1.63
TOTAL	**9,991.25**	6,553.67

Note: Break up of revenue (excluding other operating income) into over a period of time and at a point in time:

(₹ in millions)

Particulars	Over a period of time			At a point of time		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
March 31, 2026	**234.47**	**-**	**234.47**	**9,737.00**	**-**	**9,737.00**
March 31, 2025	219.88	-	219.88	6,322.57	-	6,322.57

The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Transaction price allocated to the remaining performance obligation:		
1. Unexecuted order value	**8,906.87**	8,932.19
2. Expected conversion in revenue -		
a. Upto 1 year	**8,728.17**	8,195.37
b. More than 1 year	**178.70**	736.82

Movement in Contract Assets

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	**70.27**	37.40
Balance at the end of the year	**82.91**	70.27
Net Increase/(Decrease)	**12.64**	32.87

During the current year, increase in net contract balances is primarily due to higher revenue recognition as compared to progress bills raised.

Reconciliation of revenue recognized with the contracted price is as follows:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contracted price	**9,573.08**	6,291.45
Increase/(Decrease) towards variable consideration components	**398.39**	251.00
Revenue recognized	**9,971.47**	6,542.45

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 31: OTHER INCOME

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest Income	**4.59**	2.69
Interest Income on rental security deposit(at amortized cost)	**0.40**	0.34
Dividend Income	**0.08**	0.08
Other Non Operating Income		
Credit Balance Written Back	**0.43**	0.71
Misc income	**6.29**	-
Exchange fluctuation	**4.67**	1.85
Profit on sale of assets	**-**	9.14
TOTAL	**16.46**	14.81

NOTE 32: COST OF MATERIALS CONSUMED

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock of Raw Materials	**641.84**	611.19
Add: Purchases of Raw Materials	**7,252.85**	4,720.72
Add: Conversion and Processing Charges	**354.67**	323.92
Less: Transferred to/from CWIP & others from Opening stock of Raw Materials	**11.77**	(2.90)
Total	**8,261.13**	5,652.93
Less: Closing Stock of Raw Materials	**817.14**	641.84
TOTAL	**7,443.99**	5,011.08

NOTE 33: CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Inventory		
Finished Goods	**9.84**	47.72
Work-In-Progress	**532.15**	290.57
	541.99	338.29
Closing Inventory		
Finished Goods	**119.04**	9.84
Work-In-Progress	**511.01**	532.15
	630.05	541.99
Add/(Less) Trfd to CWIP	**4.13**	(24.53)
TOTAL	**(83.93)**	(228.23)

NOTE 34: EMPLOYEE BENEFITS EXPENSE

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, Wages, Bonus, Gratuity etc.	**969.95**	599.80
Employee Stock Option Cost	**5.42**	0.78
Contribution to Provident Fund, Superannuation, Employees State Insurance Scheme	**126.32**	18.06
Staff Welfare Expenses	**18.76**	13.95
TOTAL	**1,120.45**	632.59

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 35: FINANCE COSTS

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on Financial Liabilities measured at amortized cost		
Interest on Bank borrowings	**129.33**	125.78
Other Interest	**3.01**	6.14
Interest on Term Loan	**23.03**	-
Interest on lease liability	**4.43**	-
TOTAL	**159.80**	131.92

NOTE 36: DEPRECIATION AND AMORTIZATON EXPENSE

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, Plant & Equipment	**82.70**	51.49
Amortization on Intangible assets	**33.46**	17.26
Depreciation on Right to use Assets	**22.18**	16.12
TOTAL	**138.34**	84.87

NOTE 37: OTHER EXPENSES

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumable Stores, Tools and Instruments	**46.48**	22.34
Electricity, Water and Fuel Charges	**84.56**	48.55
Packing Expenses	**40.11**	30.04
Repairs		
To Machinery	**20.95**	6.68
To Building	**17.54**	0.55
To Other Assets	**5.76**	4.31
Rent	**2.41**	2.58
Rates and Taxes	**12.84**	2.25
Insurance	**9.00**	3.78
Travelling, Conveyance and Vehicle Expenses	**90.10**	59.73
Directors' Travelling, Conveyance and Sitting Fees	**1.71**	1.00
Printing and Stationery	**2.59**	2.69
Postage, Telegram and Telex	**4.43**	4.39
Advertisement and Publicity	**10.22**	13.56
Bad Debts	**20.35**	7.96
Liquidated Damages	**106.52**	28.91
Provision for doubtful debts	**(48.51)**	40.26
Commission	**4.33**	-
Legal and Professional Charges	**95.42**	28.39
Payment to Auditor (refer note 40)	**2.07**	1.62
Transit Insurance and Freight	**26.70**	26.35
Bank Charges	**9.42**	5.01
Warranty Expenses	**45.13**	32.70
Miscellaneous Expenses (refer note 62)	**59.86**	61.45
TOTAL	**669.99**	435.12

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 38: TAX EXPENSES

Income Tax Expenses Recognized in the Statement of Profit & Loss

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax		
Current Tax on taxable Income for the year	**118.28**	141.43
Earlier year tax	**13.45**	(10.26)
Total Current Tax Expense	**131.73**	131.17
Deferred Tax		
Deferred Tax Charge/(Credit)	**21.41**	(1.17)
Total Deferred Tax expense/(benefit)	**21.41**	(1.17)
Total tax expense recognized in Statement of Profit and Loss	**153.14**	130.00

Income Tax Expenses Recognized in Other Comprehensive Income

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Tax on Other Comprehensive Income/Loss	**(1.91)**	(0.01)
TOTAL	**(1.91)**	(0.01)

A reconciliation of the Income Tax expenses to the amount computed by applying the statutory income tax rate to the profit before Income taxes is summarized below:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Enacted Income tax rate in India applicable to the Company	**25.17%**	29.12%
Profit before tax (consolidated)	**539.11**	501.13
Current tax expense on Profit before tax expenses at the enacted income tax rate in India	**135.68**	145.93
Tax effects of the amounts which are not deductible/(taxable) in calculating taxable income		
Add/Less:-		
Tax rate change on deferred tax asset	**(3.61)**	-
Permanent deductions	**(40.39)**	(6.15)
Income tax of earlier years	**13.46**	(10.26)
Tax effect on Losses of Subidaries	**48.00**	0.46
Others	**(0.01)**	0.02
TOTAL	**153.14**	130.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

The movement in deferred tax assets and liabilities during the year ended March 31, 2026 and March 31, 2025:

(₹ in millions)

Particulars	Deferred Tax Asset/ (Liabilities) as on March 31, 2024	Payment	Transfer from Current tax assets	Credit/ (charge) in Statement of Profit & Loss	Credit/(charge) in Other Comprehensive Income	Deferred Tax Asset/ (Liabilities) as on March 31, 2025	Payment	Transfer from Current tax assets	Credit/ (charge) in Statement of Profit & Loss	Credit/(charge) in Other Comprehensive Income	Deferred Tax Asset/ (Liabilities) as on March 31, 2026
Depreciation	(65.57)	-	-	(11.43)	-	(77.00)	-	-	(5.74)	-	**(82.74)**
Disallowance under Income Tax Act with respect to Employee Benefits	11.17	-	0.01	1.21	0.01	12.40	-	-	1.92	1.91	**16.22**
Provision	15.54	-	-	12.46	-	28.00	-	-	(15.10)	-	**12.90**
ESOP Expenses	0.30	-	-	0.68	-	0.98	-	-	0.67	-	**1.65**
VRS expenses	10.46	-	-	(2.62)	-	7.84	-	-	(3.33)	-	**4.51**
Right to use assets and lease liabilities	0.30	-	-	0.87	-	1.17	-	-	0.17	-	**1.34**
Loss of Earlier years	-	-	-	-	-	-	-	-	-	-	**-**
MAT Credit Entitlement	48.87	-	-	(37.57)	-	11.30	-	-	(11.30)	-	**-**
TOTAL	**21.07**	**-**	**0.01**	**(36.40)**	**0.01**	**(15.31)**	**-**	**-**	**(32.71)**	**1.91**	**(46.12)**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 39:

Pursuant to section 115BAA of the Income Tax Act, 1961, the Group has opted for the concessional effective tax rate of 25.168% (inclusive of applicable surcharge and cess) from F.Y.2025-26 (A.Y.2026-27).

Consequently, the Group has computed it's current tax liability and deferred tax assets for the year based on the reduced tax rate as prescribed under Section 115BAA. Accordingly, the MAT Credit Entitlement recognized in the earlier periods has been reversed and written off during the current period amounting to ₹ 0.11 million.

NOTE 40: PAYMENT TO AUDITORS (EXCLUDING GST)

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
As Auditor	**1.60**	1.20
For Tax Audit	**0.15**	0.15
For Certification	**0.08**	0.04
For out of Pocket expenses	**0.24**	0.23
TOTAL	**2.07**	1.62

NOTE 41: EARNINGS PER SHARE

a. EPS on Profit after tax and before exceptional items

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit after tax and before exceptional items as per Statement of Profit & Loss	**470.04**	371.13
Weighted Average Number of Equity Shares Outstanding during the year	**3,43,53,835**	3,42,96,388
Basic Earnings per Share (₹)	**13.68**	10.82
Weighted Average Number of Equity Shares Outstanding during the Year adjusted for effect of dilution.	**3,44,95,621**	3,43,55,913
Diluted Earnings per Share (₹)	**13.63**	10.80

b. EPS on Profit after tax

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit after taxation as per Statement of Profit & Loss	**450.08**	371.13
Weighted Average Number of Equity Shares Outstanding during the year	**3,43,53,835**	3,42,96,388
Basic Earnings per Share (₹)	**13.10**	10.82
Weighted Average Number of Equity Shares Outstanding during the Year adjusted for effect of dilution.	**3,44,95,621**	3,43,55,913
Diluted Earnings per Share (₹)	**13.05**	10.80

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

c. Reconciliation of Weighted Average Number of Shares Outstanding

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS#	**3,43,53,835**	3,42,96,388
Total Potential Equity Shares*	**1,41,786**	59,525
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	**3,44,95,621**	3,43,55,913

*Dilutive impact of Employee Stock Option Plan and Share Warrants

#The weighted average number of equity shares for the year ended March 31, 2026 & March 31, 2025 has been restated to give effect to the bonus issue of equity shares in the ratio of 1:1 approved by the Company with record date of March 27, 2026, in accordance with IND AS 33 - Earnings per share.

NOTE 42:

The Group has spent ₹ 6.75 millions during the financial year (Previous year ₹ Nil) as per the Provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities.

a. Gross amount required to be spent during the year ₹ 5.22 millions (Previous year ₹ 2.12 millions)

b. Excess amount spent in 2025-26 to be carried forward ₹ 1.53 millions (Previous year ₹ Nil)

The details of funds primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013 are as follows:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the Group during the year	**5.22**	2.12
Amount of Expenditure incurred	**6.75**	-
Amount carried forward	**1.53**	-
Excess spent of previous year utilized	**-**	2.12
Excess CSR Amount spent in 2022-23 - ₹ 0.56 millions		
Excess CSR Amount spent in 2021-22 - ₹ 1.56 millions		
Shortfall at the end of the year	**-**	-
Total of previous years shortfall	**-**	-
Nature of CSR activities	Skill Development	
Details of related party transactions, e.g. contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard	**-**	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	**NA**	NA

NOTE 43: INTANGIBLE ASSETS UNDER DEVELOPMENT- PRODUCT DEVELOPMENT

During the year, the Group has incurred an expenditure of ₹ 54.09 millions on the development of various Products/Machinery and completed the development process of the Products of ₹ 36.87 millions (including ₹ 25.73 millions incurred up to March 31, 2025) and the balance of ₹ 66.53 millions (including ₹ 22.46 millions incurred up to March 31, 2025) related to the products still under development is clubbed under Intangible Assets under Development.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 44: RESEARCH AND DEVELOPMENT

The recurring expenditure of ₹ 145.09 millions (Previous year ₹ 122.61 millions) and Capital Expenditure of ₹ 90.06 millions (Previous Year ₹ 58.85 millions) spent in Research and Development during the year have been debited to respective account.

NOTE 45: TRADE PAYABLES

The details of amounts due to Micro and Small enteprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on the information available with the Group are as under:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Principal Amount Due and remaining unpaid	-	-
Interest Due on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	147.57	-
Interest due and payable for the period of delay	0.99	-
Interest accrued and remaining unpaid	0.99	-
Amount of further interest remaining due and payable in succeeding years	0.99	-

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group regarding the status of suppliers under the MSME.

The Company has onboarded the Trade Receivables Discounting System (TReDS) platform in compliance with the Ministry of MSME notification mandating companies with annual turnover exceeding ₹ 250 crore to register on TReDS. Under the arrangement, the Company upload invoices on the TReDS platform; a financier (bank/NBFC-Factor) pays the MSME and charges interest from the Company; and the Company settles the amount due directly to the financier on the original invoice due date or agreed date. Refer Note 73 for disclosures required under Ind AS 7 and Ind AS 107 in respect of this arrangement.

NOTE 46: CONTINGENT LIABLITIES

Contingent Liabilities in respect of the following:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i. Claims against the Group not acknowledged as debt		
Claims of GST/Sales Tax disputed by Group	10.04	10.86
ii. Guarantees excluding financial guarantees		
Guarantee given by the banks to the third parties on behalf of the Group	114.23	101.40
iii. Other money for which the Group is contingently liable		
Letters of credit opened by the bankers of the Group in favor of the third parties	57.68	3.81
Claims not acknowledged by the Group	-	-

NOTE 47: COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for

Estimated amounts of contract remaining to be executed and not provided on account of Technical Knowhow ₹ Nil (Previous year ₹ Nil) and on account of Capital Purchase ₹ 103.02 millions (Previous year ₹ 251.56 millions)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 48: OTHER COMPREHENSIVE INCOME

Amounts recognized in Other Comprehensive Income i.e. Items that will not be reclassified to profit and loss in subsequent year includes Actuarial Gains/(Loss) on post-employment defined benefit plan (net of deferred tax)

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Actuarial Gains/(Loss) on post-employment defined benefit plan	(7.58)	(0.04)
Foreign Currency Translation Reserve	1.95	(0.01)
Tax on above	1.91	0.01
Net Other Comprehensive Income/(Loss)	(3.72)	(0.04)

NOTE 49: FAIR VALUE HIERARCHY

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standards. An explanation of each level follows underneath the table:

Assets and liabilities measured at amortized cost and for which fair values are disclosed in the Financial Statements:

(₹ in millions)

	March 31, 2026			
		Fair value measurement using		
Particulars	Carrying Amount	Quoted Prices in active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FINANCIAL ASSETS				
Amortized cost				
Trade Receivables	2,464.23			
Cash and Cash Equivalents	39.14			
Other Bank Balances	10.69			
Loans	0.05			
Other Financial Assets	211.63			
FVTPL				
Investment in Equity Instruments*	1.28			1.28
Total Financial Assets	2,727.02			1.28
Financial Liabilities				
Amortized cost				
Borrowings	2,367.12			
Lease Liability	79.32			
Trade Payables	1,188.95			
Other Financial Liabilities	220.12			
Total Financial Liabilities	3,855.51			

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Assets and liabilities measured at amortized cost and for which fair values are disclosed in the Financial Statements:

(₹ in millions)

Particulars	March 31, 2025			
		Fair value measurement using		
	Carrying Amount	Quoted Prices in active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FINANCIAL ASSETS				
Amortized cost				
Trade Receivables	1,095.50			
Cash and Cash Equivalents	2.94			
Other Bank Balances	8.41			
Loans	0.64			
Other Financial Assets	202.21			
FVTPL				
Investment in Equity Instruments*	1.28			1.28
Total Financial Assets	**1,310.98**			**1.28**
Financial Liabilities				
Amortized cost				
Borrowings	1,589.81			
Lease Liability	52.85			
Trade Payables	599.16			
Other Financial Liabilities	127.55			
Total Financial Liabilities	**2,369.37**			

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Level 1 - Level 1 hierarchy includes Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares and preference shares included in level 3.

a) Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining Financial instruments is determined using discounted cash flow analysis.

NOTE 50:

All the title deeds of immovable properties are held in the name of the Group.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 51: CAPITAL-WORK-IN PROGRESS (CWIP)

As on March 31, 2026

a. Capital-Work-in Progress (CWIP) ageing schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	23.32	9.67	-	-	32.99
Projects temporarily suspended	-	-	-	-	-
Total	**23.32**	**9.67**	**-**	**-**	**32.99**

b. Capital-Work-in Progress (CWIP) temporarily suspended completion schedule

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1					-
Total	**-**	**-**	**-**	**-**	**-**

c. Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1					-
Total	**-**	**-**	**-**	**-**	**-**

As on March 31, 2025

a. Capital-Work-in Progress (CWIP) ageing schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	60.16	-	-	-	60.16
Projects temporarily suspended	-	-	-	8.28	8.28
Total	**60.16**	**-**	**-**	**8.28**	**68.44**

b. Capital-Work-in Progress (CWIP) temporarily suspended completion schedule

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	-	8.28	-	-	8.28
Total	**-**	**8.28**	**-**	**-**	**8.28**

c. Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 52: CAPITAL-WORK-IN PROGRESS (CWIP)

As on March 31, 2026

a. Intangible assets under development aging schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	38.11	18.83	6.57	7.71	71.22
Projects temporarily suspended	-	-	-	-	-
Total	**38.11**	**18.83**	**6.57**	**7.71**	**71.22**

b. Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	26.90	-	-	-	26.90
Total	**26.90**	**-**	**-**	**-**	**26.90**

As on March 31, 2025

a. Intangible assets under development aging schedule

(₹ in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	30.44	14.74	2.26	5.45	52.89
Projects temporarily suspended	-	-	-	-	-
Total	**30.44**	**14.74**	**2.26**	**5.45**	**52.89**

b. Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in millions)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	19.55	-	-	-	19.55
Total	**19.55**	**-**	**-**	**-**	**19.55**

NOTE 53:

The quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 54:

Term loan taken from the banks are utilized for the purpose for which they were granted.

NOTE 55:

During the year, Group has not come across any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTE 56:

During the year, there was delay in the filing of the charges/satisfaction with the Registrar of Companies.

Particulars of Charges Not Registered with ROC Within Statutory Period:

(₹ in millions)

Charge Instrument	Date of Creation	Due Date for Registration	Actual Date of Registration	Delay Period	Reasons for Delay
Auto Finance Loan	October 17, 2025	November 16, 2025	November 17, 2025	1 day	Delay from the end of Bank
Hypothecation	October 06, 2025	November 04, 2025	November 18, 2025	14 days	Delay from the end of Bank

Additional Information:

Penalties or Fees Paid: The Group has paid the requisite additional fees as prescribed under the Companies (Registration Offices and Fees) Rules, 2014, for the delayed registration of charges.

NOTE 57: GROUP INFORMATION

A Information about subsidiary

The consolidated financial statements of the Group includes subsidiary listed in the table below:

Name	Principal activities	Country of Incorporation	% Interest	
			As at March 31, 2026	As at March 31, 2025
Hirect FZ-LLC (Wholly Owned Subsidiary- Incorporated on November 21, 2024)	Power Generation, Transmission & Distribution Equipment, Trading, Heavy Equipment & Machinery, Spare Parts, Electronic Card Wholesale, Industrial Plant Equipment & Spare Parts Trading, Wholesale of Non-ferrous Metal.	UAE	**100.00**	100.00
Coincade Studios Private Limited (Date of becoming subsidiary: April 15, 2025)	Developing cutting-edge products and solutions in Information Technology (IT), Artificial Intelligence (AI), Web3, and varied software.	INDIA	**100.00**	-
Elventive France (Date of becoming subsidiary: September 30, 2025)	EMS, Robotics and Power Electronics	FRANCE	**66.00**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

B ADDITIONAL INFORMATION PURSUANT TO REQUIREMENT OF SCHEDULE III TO THE COMPANIES ACT, 2013 UNDER GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in millions)

Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Hind Rectifiers Limited	108%	2,212.64	149%	576.71	153%	(5.67)	149%	571.04
Foreign Subsidiary								
Hirect FZ-LLC (Wholly Owned Subsidiary)	0%	(0.25)	0%	(1.62)	(1%)	0.05	0%	(1.57)
Foreign subsidiary having non controlling interest								
Elventive France	3%	51.59	(32%)	(124.45)	(34%)	1.25	(32%)	(123.20)
Non Controlling Interest								
Elventive France	(1%)	(27.66)	(17%)	(64.11)	(17%)	0.65	(17%)	(63.47)
Indian Subsidiary								
Coincade Studios Private Limited (Wholly owned subsidiary)	0%	3.44	0%	(0.56)	0%	-	0%	(0.56)
Less: Eliminations	(9%)	(181.70)	0%	-	0%	-	0%	-
Total	**100%**	**2,058.06**	**100%**	**385.97**	**100%**	**(3.72)**	**100%**	**382.25**

NOTE 58: DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS "

(a) Defined Contribution Plans:

The Group's contribution to Provident Fund, Superannuation Fund & Pension Fund that has been recognized in the Statement of Profit and Loss under the head Employee Benefits Expense is as under:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employer's Contribution to Provident Fund	**16.08**	8.22
Employer's Contribution to Superannuation Fund	**1.54**	1.26
Employer's Contribution to Pension Fund	**9.01**	7.23

(b) Defined Benefit Plans:

Gratuity

The Group has a defined benefit gratuity plan (funded and non funded).The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	March 31, 2026	March 31, 2025
Employee Attrition Rate	**1%-2%**	1%-2%
Discount rate(s)	**7.25%**	6.70%
Expected rate(s) of salary increase	**4.00%**	4.00%

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
I. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year		
Funded	**19.61**	18.72
Non Funded	**14.15**	14.22
	33.76	32.94
2. Transfer In/Out Obligation		
Funded	**-**	0.09
Non Funded	**-**	(0.09)
	-	-
3. Expenses Recognized in Profit and Loss Account		
Current Service Cost		
Funded	**3.73**	2.55
Non Funded	**3.33**	2.58
	7.06	5.13
Interest Cost		
Funded	**1.14**	1.14
Non Funded	**0.66**	0.76
	1.80	1.90
Past Service Cost		
Funded	**7.92**	(1.90)
Non Funded	**5.26**	(2.88)
	13.18	(4.78)
4. Recognized in Other Comprehensive Income		
Actuarial (Gain)/Loss		
Funded	**4.06**	0.38
Non Funded	**3.99**	0.12
	8.05	0.50
5. Benefits paid		
Funded	**(2.44)**	1.38
Non Funded	**(1.26)**	0.57
	(3.70)	1.95
6. Present value of defined benefit obligation at the end of the year.		
Funded	**34.01**	19.61
Non Funded	**26.14**	14.15
	60.15	33.76
II. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	**6.04**	4.69
2. Adjustments to Opening Fair Value of Plan asset	**-**	-
3. Expenses Recognized in Profit and Loss Account	**-**	-
Expected return on plan assets	**0.31**	0.23
4. Recognized in Other Comprehensive Income		
Remeasurement (gains)/losses		
Actual Return on plan assets in excess of the expected return	**0.48**	0.46

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
5. Contributions by employer (including benefit payments recoverable)	**20.24**	0.66
6. Benefits paid	**(1.88)**	-
7. Fair value of plan assets at the end of the year	**25.19**	6.04
III. (a) Expense recognized in the Statement of Profit and Loss for the year		
Current Service Cost		
Funded	**3.73**	2.55
Non Funded	**3.33**	2.58
	7.06	5.13
Past Service Cost		
Funded	**7.92**	(1.90)
Non Funded	**5.26**	(2.88)
	13.18	(4.78)
Interest Cost		
Funded	**1.14**	1.14
Non Funded	**0.66**	0.76
	1.80	1.90
Expected Return on plan assets		
Funded	**(0.31)**	(0.23)
Non Funded	**-**	-
	(0.31)	(0.23)
Components of defined benefit costs recognized in profit or loss		
Funded	**12.48**	1.56
Non Funded	**9.25**	0.45
	21.73	2.01
(b) Included in other Comprehensive Income		
Actuarial (Gain)/Loss recognized for the period	**8.06**	0.50
Return on Plan Assets excluding net interest	**(0.48)**	(0.46)
Actuarial (Gain)/Loss recognized in OCI	**7.58**	0.04
IV. Net Asset/(Liability) recognized in the Balance Sheet		
1. Fair value of plan assets as at March 31, 2026		
Funded	**25.19**	6.04
Non Funded	**-**	-
	25.19	6.04
2. Present value of defined benefit obligation as at March 31, 2026		
Funded	**34.01**	19.61
Non Funded	**26.14**	14.15
	60.15	33.76
3. Amount recognized in Balance Sheet		
Funded	**8.82**	13.57
Non Funded	**26.14**	14.15
	34.96	27.72
4. Amount recognized in Balance Sheet		
Current	**5.62**	3.11
Non Current	**29.34**	24.61
	34.96	27.72

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Expected cashflows based on past service liability:

(₹ in millions)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Within 1 year	**8.15**	6.14
1-2 year	**5.02**	2.17
2-3 year	**5.64**	2.44
3-4 year	**5.15**	2.13
4-5 year	**2.85**	2.02
Above 5 years	**22.10**	11.67

Sensitivity Analysis

(₹ in millions)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i. Discount rate Sensitivity		
Increase by 0.5%	**53.25**	28.65
Decrease by 0.5%	**58.21**	31.16
ii. Salary growth rate Sensitivity		
Increase by 0.5%	**57.76**	30.72
Decrease by 0.5%	**53.57**	29.21
iii. Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	**55.95**	29.92
W.R. x 90%	**55.29**	29.79

NOTE 59: SEGMENT INFORMATION

During the current period, the Group's manufacturing operations relating to Continuously transposed conductor (CTC) Plant were identified and managed as a separate business line and whose operating results are regularly reviewed. Accordingly, Continuously transposed conductor (CTC) Plant has been identified as a separate operating and reportable segment with effect from November 03, 2025.

The Subsidiary, Elventive France SAS (Formerly known as Belink Hirect SAS) where identified as a seperate business line and whose operating results are regularly reviewed . Accordingly, EMS has been identified as a separate operating and reportable segment with effect from October 01, 2025.

The geographical breakup of the segments is as follows:

a) EMS Segment- France

b) Other Segments-India & UAE

The segment information for the corresponding previous period has not been presented, as the manufacturing operations of this segment commenced during the current period. Accordingly, the segment information for the current period is not comparable with that of the previous period.

a) Information about major customers

Revenue from sale of products to largest customers (greater than 10% of total sales) is ₹ 7062.70 millions for financial year ended March 31, 2026 (₹ 5297.83 millions for financial year ended March 31, 2025).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

b) As per Ind AS 108- "Operating Segment", segment information of the Group as on March 31, 2026 is as follows:

(₹ in millions)

Sr. No	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1	**Segment Revenue**		
	CTC/PICC/EPICC	**207.51**	-
	Engineering Products	**9,492.60**	6,553.67
	EMS	**498.29**	-
	Total	**10,198.40**	6,553.67
	Less : Intersegment Revenue	**207.15**	-
	Sales/Income from Operations	**9991.25**	6553.67
2	**Segment Results - Profit/(Loss)**		
	CTC/PICC/EPICC	**(14.36)**	-
	Engineering Products	**1,140.75**	633.05
	EMS	**(188.56)**	-
	Total	**937.82**	633.05
	Less : i) Interest	**159.80**	131.92
	ii) Other Unallocable Expenditure	**218.95**	-
	net off Unallocable Income		
	Less:Exceptional Items	**19.96**	-
	Total Profit Before Tax	**539.11**	501.13
3	**Capital Employed**		
	Segment Assets		
	CTC/PICC/EPICC	**684.14**	-
	Engineering Products	**4,961.97**	4,172.89
	EMS	**672.37**	-
	Other Unallocable Assets	**302.21**	-
	Total Sement Assets	**6,620.69**	4,172.89
	Sement Liabilities and Equity		
	CTC/PICC/EPICC	**469.93**	-
	Engineering Products	**1,262.42**	4,172.89
	EMS	**620.78**	-
	Other Unallocable Liabilities and Equity	**4,267.56**	-
	Total Sement Liabilities and Equity	**6,620.69**	4,172.89

NOTE 60: DIVIDEND

The Board of Directors have recommended a dividend of ₹ 1.40 per equity share of ₹ 2/- each (Previous year ₹ 2 per equity share of ₹ 2/- each). The same is subject to the approval of members of the Group in the AGM to be held on August 11, 2026.

(₹ in millions)

Proposed Dividend on equity shares	March 31, 2026	March 31, 2025
Final cash dividend for the year ended March 31, 2026 is ₹ 1.40 per equity share (March 31, 2025 ₹ 2 per equity share)	**48.11**	34.33
	48.11	34.33

(₹ in millions)

Dividend declared and Paid during the year	March 31, 2026	March 31, 2025
Final cash dividend for the year ended March 31, 2025 is ₹ 2.00 per equity share (March 31, 2024 ₹ 1.2 per equity share).	**34.32**	20.57
	34.32	20.57

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 61: STOCK OPTIONS

The Employee Stock Option Scheme (ESOP) was approved by the members on August 13, 2018. Under the scheme, 99,945 stock options were granted during FY 2021-22, of which 10,255 options were exercised during FY 2022-23. During FY 2024-25 and FY 2025-26, the Group allotted 24,815 and 21,132 equity shares of ₹ 2 each, respectively, pursuant to the exercise of stock options. Further, the Group granted an additional 100,000 stock options under the scheme. Pursuant to the 1:1 bonus issue, the number of stock options was increased and the exercise price was correspondingly reduced in accordance with the terms of the ESOP Scheme, without changing the overall value of the awards.

NOTE 62: MISCELLANEOUS EXPENSES

Miscellaneous expenses under Other Expenses includes CWIP written off of ₹ 9.79 millions (Previous year ₹ 38.22 millions)

NOTE 63: PROVISION FOR WARANTY

A provision is recognized for expected warranty claims and after sales services on products sold, based on past experience of the level of repairs and returns. It is expected that these costs will be incurred during the warranty period i.e 1 to 6 years (depending on the product) from the date of sale of the product . The provision for warranty cost is revised annually.

NOTE 64:

All the financial assets and financial liabiities except investment in Equity Instruments are valued at amortized cost. However, considering the materiality of the transactions, the cost/book value of certain assets such as security deposits, staff loan is considered as the amortized cost.

NOTE 65: SHARE BASED PAYMENTS RESERVE

The Board of Directors of the Group and its Shareholders' approved a Employee Stock Option Plan (ESOP - 2018). During the previous year 2021-22, 99,945 options were granted to certain identified eligible employees of the Company. Detailed description of share based payment arrangements is as below:

During the current year 2025-26, the Group granted further 1,00,000 employee stock options to certain identified eligible employees. Further, during the year, the Group issued bonus equity shares in the ratio of 1:1 on 30 March 2026. Accordingly, the outstanding options and related exercise prices as at March 31, 2026 have been presented after considering the effect of the bonus issue, wherever applicable.

Detailed description of share-based payment arrangements is as below:

Sr No	Particulars	Earlier Grant	Current Year Grant
a	Date of shareholders' approval :-	August 13, 2018	August 13, 2018
b	Total number of options approved under ESOP :	2,50,000 options	Within overall approved pool of 2,50,000 options
c	Number of options granted: -	99,945 options granted during FY 2021-22	1,00,000 options granted during FY 2025-26
d	Grant Year : -	FY 2021 - 22	FY 2025 - 26
e	Maximum term of options granted : -	Maximum term of the options granted under the scheme shall be five years from the grant date.	Maximum term of the options granted under the scheme shall be five years from the grant date.
f	Vesting requirements	The options granted shall vest between a minimum of 1 to maximum of 4 years from the date of grant of options.	The options granted shall vest between a minimum of 1 to maximum of 4 years from the date of grant of options.
g	Source of shares : -	Primary	Primary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Sr No	Particulars	Earlier Grant	Current Year Grant
h	Exercise price before bonus issue	₹ 85 per option	₹ 800 per option
i	Exercise price after 1:1 bonus issue	₹ 42.50 per option/share equivalent	₹ 400 per option/share equivalent
j	Weighted average fair value of options	₹ 482.96	₹ 897.77 per option before bonus adjustment
k	Weighted average remaining contractual life	1.95 years	3.75 years

Options were priced using a Black Scholes Merton Formula pricing model. Where relevant, the expected life used in this model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavior considerations.

Sr No	Inputs into the model were as follows:	Earlier Grant	Current Year Grant
a	Grant date share price	₹ 166.65	₹ 1418.30
b	Exercise Price	₹ 85.00	₹ 800.00
c	Historical Volatility	50.60% to 51.83%	55.05% to 57.23%
d	DTE (Years)	3 to 4.5 years	3 to 4.5 years
e	Dividend yield	0.46%	0.19%
f	Risk free interest rate	4.92% to 5.50%	5.98% to 6.26%

Reconciliation of outstanding share options is as follows:

Particulars	Year ended March 31, 2026 No. of options	Year ended March 31, 2026 Exercise price	Year ended March 31, 2025 No. of options	Year ended March 31, 2025 Exercise price
Outstanding at the beginning of the year	**32,571**	**85.00**	64,388	85.00
New options granted during the year	**1,00,000**	**800.00**	-	-
Forfeited/lapsed during the year	**6,814**	**85.00**	7,002	85.00
Exercised during the year	**21,132**	**85.00**	24,815	85.00
Outstanding before bonus adjustment from earlier options	**4,625**	**85.00**	32,571	85.00
Outstanding before bonus adjustment from new options granted in the current year	**1,00,000**	**800.00**	-	-
Total outstanding before bonus adjustment	**1,04,625**	**Refer table below**	32,571	85.00
Bonus adjustment pursuant to 1:1 bonus issue	**1,04,625**	**-**	-	-
Outstanding at the end of the year	**2,09,250**	**85.00**	32,571	85.00
Exercisable as at March 31, 2026	**9,250**	**85.00**	11,550	85.00

Reconciliation of outstanding share options after bonus adjusment is as follows:

Particulars	Options before bonus	Options after bonus	Exercise price before bonus	Exercise price after bonus
Earlier ESOP grant	4,625	9,250	85.00	42.50
Current year ESOP grant	1,00,000	2,00,000	800.00	400.00
Total outstanding as on March 31, 2026	**1,04,625**	**2,09,250**	**-**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

Pursuant to the 1:1 bonus issue, the number of equity shares underlying outstanding employee stock options has been proportionately increased and the related exercise prices have been proportionately reduced. The bonus issue has not been considered as a fresh grant of employee stock options.

Fair value of options vested during the year is ₹ 1220.56 (previous year ₹ 796.44)

Money realized by exercise of option during the year is ₹ 1.80 millions (previous year ₹ 2.11 millions)

For the total options outstanding at March 31, 2026, the exercise price of the earlier grants was revised from ₹ 85.00 to ₹ 42.50 per option and that of the new grants from ₹ 800.00 to ₹ 400.00 per option, with a corresponding adjustment in the number of options.

Weighted average share price at the date of the exercise of share options exercised in FY 2025-26 is ₹ 1,305.56.

21132 options exercised during this year and 24815 shares during previous year.

Expense recognized in Statement of Profit and Loss

The Group has followed the fair value method to account for the grant of stock options, profit and loss impact for the year ended March 31, 2026 is ₹ 5.42 millions (previous year: ₹ 0.78 millions)

NOTE 66 : RELATED PARTY DISCLOSURES AS PER IND AS 24 & SEBI LODR

I. List of related parties

A) Enterprise over which Members of the Board of Directors/KMP has significant influence

Force Motion Technology LLP

Elventive Tech Private Limited

Arcot AI Solution Private Limited (formerly known as Arcot Media Private Limited)

B) Members of the Board of Directors/Key Management Personnel (KMP)

1. Chairman and Managing Director

a) Mr. Suramya Nevatia

2. Executive Director

a) Mrs. Akshada Nevatia

3. Non Executive Director

i. Independent Non Executive Director

a) Mr. Vijay Kumar Bhartia (completion of tenure with effect from August 13, 2024)

b) Mr. Pradeep Goyal (completion of tenure with effect from August 13, 2024)

c) Ms. Ashlesha Bodas

d) Mr. Vandan Shah

e) Mr. Vishal Pacheriwala

ii. Non Independent Non Executive Director

a) Mr. Parimal Merchant

4. Chief Financial Officer

a) Mr. Anil Kumar Nemani

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

5. **Chief Executive Officer**

    a) Mr. Manoj Nair

6. **Company Secretary**

    a) Ms. Meenakshi Anchlia (cessation with effect from November 03, 2025)

    b) Ms. Megha Singh (Appointed on January 30, 2026)

C. Relative of Member of Board of Directors/KMP

a) Mr. Saurabh Nevatia

b) Mrs. Bharti Nevatia

c) Mr. Suryansh Nevatia

Note: Mrs. Akshada Nevatia, Mr. Suramya Nevatia, Mr. Saurabh Nevatia, Mrs. Bharti Nevatia and Mr. Suryansh Nevatia are related to each other.

II. Disclosure in respect of material transactions with related parties during the year ended March 31, 2026

(₹ In millions)

S. No.	Particulars	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
1	Loan Received/Deposits received				
	Nil	-	-	-	-
		-	-	-	-
2	Loan Repaid/Deposits Given				
	Nil	-	-	-	-
3	**Income**				
	Sale				
	Force Motion Technology LLP	**0.06**	**-**	**-**	**0.06**
		(0.12)	-	-	(0.12)
	Elventive Tech Private Limited	**135.01**	**-**	**-**	**135.01**
		(110.03)	-	-	(110.03)
4	**Expenditure**				
i.	**Remuneration**				
	Mrs. Akshada Nevatia	**-**	**31.12**	**-**	**31.12**
		-	(21.06)	-	(21.06)
	Mr. Suramya Nevatia	**-**	**48.86**	**-**	**48.86**
		-	(36.36)	-	(36.36)
	Mr. Saurabh Nevatia	**-**	**-**	**9.03**	**9.03**
		-	-	(9.03)	(9.03)
	Mrs. Bharti Nevatia	**-**	**-**	**1.16**	**1.16**
		-	-	(1.19)	(1.19)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ In millions)

S. No.	Particulars	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
	Mr. Suryansh Nevatia	-	-	-	-
		-	-	(0.06)	(0.06)
	Mr. Anil Kumar Nemani	**-**	**12.23**	**-**	**12.23**
		-	(10.01)	-	(10.01)
	Ms. Meenakshi Anchlia	**-**	**1.19**	**-**	**1.19**
		-	(2.31)	-	(2.31)
	Ms. Megha Singh	**-**	**0.06**	**-**	**0.06**
			-	-	-
	Mr. Anil Mehta	-	-	-	-
		-	(2.89)	-	(2.89)
	Mr. Manoj Nair	**-**	**7.72**		**7.72**
		-	-		-
ii.	**Directors Sitting Fees**				
	Mr. Parimal Merchant	**-**	**0.58**	**-**	**0.58**
		-	(0.28)	-	(0.28)
	Mr. Pawan Kumar Golyan	-		-	-
		-	-	-	-
	Mr. Pradeep Goyal	-		-	-
		-	(0.15)	-	(0.15)
	Mr. Vandan Shah	**-**	**0.40**	**-**	**0.40**
		-	(0.28)	-	(0.28)
	Mr. Vijay Kumar Bhartia	-		-	-
		-	(0.05)	-	(0.05)
	Ms. Ashlesha Bodas	**-**	**0.25**	**-**	**0.25**
		-	(0.03)	-	(0.03)
	Mr. Vishal Pacheriwala	**-**	**0.45**	**-**	**0.45**
		-	(0.23)	-	(0.23)
iii.	**Rent**				
	Mr. Saurabh Nevatia	-	-	**0.50**	**0.50**
		-	-	(0.50)	(0.50)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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(₹ In millions)

S. No.	Particulars	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
iv.	**Purchase**				
	Force Motion Technology LLP	**227.13**	-	-	**227.13**
		(145.96)	-	-	(145.96)
	Elventive Tech Private Limited	**316.38**	-	-	**316.38**
		(132.51)	-	-	(132.51)
	Arcot AI Solution Private Limited	**0.39**	-	-	**0.39**
		(0.32)	-	-	(0.32)

Note : Figures in brackets represents previous years figures

III. Balances Receivable/Payable with Related Parties

(₹ In millions)

S. No.	Particulars	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
1	**Trade Payables**				
	Force Motion Technology LLP	**58.92**	-	-	**58.92**
		(18.40)	-	-	(18.40)
	Elventive Tech Private Limited	**5.60**	-	-	**5.60**
		(20.86)	-	-	(20.86)
2	**Trade Receivables**				
	Force Motion Technology LLP	-	-	-	-
		(0.01)	-	-	(0.01)
	Elventive Tech Private Limited	**41.53**	-	-	**41.53**
		(48.96)	-	-	(48.96)
3	**Other Current Financial Liabilities**				
	Salary and Other Accrued Expenses				
	Salary Payable to Mrs. Akshada Nevatia		**22.31**		**22.31**
		-	(15.82)	-	(15.82)
	Salary Payable to Mr. Suramya Nevatia		**37.02**		**37.02**
		-	(26.10)	-	(26.10)
	Salary Payable to Mr. Saurabh Nevatia			**0.47**	**0.47**
		-	-	(0.63)	(0.63)
	Salary Payable to Mrs. Bharti Nevatia			**0.09**	**0.09**
		-	-	(0.11)	(0.11)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(₹ In millions)

S. No.	Particulars	Enterprise over which Members of the Board of Directors/KMP has significant influence	Members of the Board of Directors/Key Management Personnel (KMP)	Relative of Member of Board of Directors/KMP	Total
	Salary Payable to Mr. Suryansh Nevatia	-	-	-	-
		-	-	-	-
	Salary Payable to Mr. Anil Kumar Nemani		**0.07**		**0.07**
		-	(0.28)	-	(0.28)
	Salary Payable to Ms. Meenakshi Anchlia		-		-
		-	(0.14)	-	(0.14)
	Salary Payable to Ms. Megha Singh		0.03		**0.03**
			-		-
	Salary Payable to Mr. Anil Mehta		-		-
		-	-	-	-
	Salary Payable to Mr. Manoj Nair	-	**0.84**	-	**0.84**
			-		-

Note: The remuneration to the related parties does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. However the gratuity expenses of Mr.Suramya Nevatia and Mrs. Akshada Nevatia are included in the figure of their respective remuneration since their gratuity is provided separately.

All the related party transactions have been entered on arm's length basis.

Figures in brackets represents previous years figures

NOTE 67: FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet it's obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets.

Trade receivables

Customer credit is managed by concerned business manager subject to the Company's established policy procedures and control related to customer credit risk management.

Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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The Company evaluates the concentration of risk with respect to trade receivables as medium, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals.

Reconciliation of loss allowance provision for Trade Receivables (ECL - Expected Credit Losses)

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	**81.46**	41.19
Additions	**78.36**	77.14
Amounts written back during the year	**126.88**	36.87
Balance at end of the year	**32.94**	81.46

B. **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 risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits and other financials assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

(i) **Currency Risk**

The Company operates internationally and portion of the business is transacted in several currencies and consequently, the Company is exposed to foreign exchange risk through it's sales and services in overseas and purchases from overseas suppliers in various foreign currencies. The Currency Risk can be majorly divided into two main categories -

1. Risk of change in Profits due to change in currency rate of Outstanding Trade Payables and Receivables (net of advances)
2. Risk of increased outflows due to change in currency rate of Other Payables.

Foreign Currency 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 and cash flows is due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances) and the effect not on profit but on cash flow is due to Other Payables. The Company's exposure to foreign currency changes for all other currencies is not material.

1. **The impact on the Company's profit before tax due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances)**

(₹ In millions)

	Currency	Change in rate	Effect on profit before tax
March 31, 2026	**USD**	**+5%**	**(1.94)**
	USD	**-5%**	**1.94**
	EURO	**+5%**	**(0.13)**
	EURO	**-5%**	**0.13**
	CHF	**+5%**	**(1.45)**
	CHF	**-5%**	**1.45**
March 31, 2025	USD	+5%	(0.05)
	USD	-5%	0.05
	EURO	+5%	(1.89)
	EURO	-5%	1.89
	CHF	+5%	(0.84)
	CHF	-5%	0.84

2. **The impact on the Company's cash flow due to changes in the fair value of Other Payables**

(₹ in millions)

	Currency	Change in rate	Effect on cash flow
March 31, 2026	**USD**	**+5%**	**-**
	USD	**-5%**	**-**
	EURO	**+5%**	**(0.99)**
	EURO	**-5%**	**0.99**
	CHF	**+5%**	**-**
	CHF	**-5%**	**-**
March 31, 2025	USD	+5%	0.66
	USD	-5%	(0.66)
	EURO	+5%	-
	EURO	-5%	-
	CHF	+5%	-
	CHF	-5%	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(ii) **Commodity Price Risk**

a The Company is subjected to Commodity Price risk due to the fluctuations in the price of copper. This is procured from domestic suppliers. However, domestic price of the copper is afffected based on the price at the London Metal Exchange (LME) and exchange rates. In case copper prices undergo upward/downward revision due to LME or exchange rate, the price difference are adequately covered by the price variation clause of the order.

b. Exposure of the Company to commodity and commodity risks faced by it throughout the year.

1. Total exposure of the Company to commodities in ₹ 2552.74 millions
2. Exposure of the Company to various commodities:

Commodity Name	Exposure towards the particular commodity (₹ In millions)	Exposure in quantity terms towards the particular commodity	% of such Exposure Hedged through Commodity Derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
1. Copper	2,189.33	1873.59 MT	N/A		N/A		N/A
2. Aluminium	363.41	766.46 MT					
TOTAL	2,552.74	1983.57 MT					

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

3. In majority of orders, company do have price variation clause (PVC) issued by Indian Electrical and Electronics Manufacturers' Association (IEEMA) which covers all component of cost including commodities and accordingly company do not have any major risk due to fluctuation in commodities price.

(iii) Interest rate risk

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has taken loans from banks which are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase/Decrease in basis Points	Effect on profit before tax (₹ In millions)
March 31, 2026	₹	**+50**	**(8.23)**
	₹	**(50)**	**8.23**
March 31, 2025	₹	+50	(6.15)
	₹	(50)	6.15

(iv) Equity Price Risk

The Company is not exposed to equity price risks arising from equity investments since the Company does not have any equity investments in Subsidiaries.

C. LIQUIDITY RISK

(i) Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in millions)

As at March 31, 2026	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Long term borrowings	-	-	225.54	99.50	-	325.04
Short term borrowings						
Cash Credit Facilities	-	1,903.68	-	-	-	1,903.68
Current maturities of long-term debt	-	138.40	-	-	-	138.40
Lease liabilities	-	34.42	36.74	7.45	9.79	88.40
Trade payables						
Trade payables - Micro and small enterprises	-	29.07	1,159.88	-	-	1,188.95
Trade payables - other than micro and small Ent	-		-	-	-	-
Other financial liabilities						
Deposits from dealers and agents	-	-	-	-	0.80	0.80
Interest accrued on borrowings	-	6.50	-	-	-	6.50
Unclaimed/Unpaid dividends	-	9.30	-	-	-	9.30
Creditors for Capital Supplies/ Services	-	56.54	-	-	-	56.54
Provision for Bonus	-	2.54	-	-	-	2.54
Salary & Other Accrued Expenses	-	144.44	-	-	-	144.44
Total	-	2,324.89	1,422.16	106.95	10.59	3,864.59

(₹ in millions)

As at March 31, 2025	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Long term borrowings	-	-	248.43	35.39	0.18	284.00
Short term borrowings						
Cash Credit Facilities	-	1,203.25	-	-	-	1,203.25
Current maturities of long-term debt	-	102.57	-	-	-	102.57
Lease liabilities	-	20.01	39.52	1.52	-	61.05
Trade payables						
Trade payables - micro and small enterprises	-	14.30	-	-	-	14.30
Trade payables - other than micro and small ent	-	584.86	-	-	-	584.86
Other Financial Liabilities						
Deposits from dealers and agents	-	-	-	-	0.80	0.80
Interest accrued on borrowings	-	1.81	-	-	-	1.81
Unclaimed/Unpaid dividends	-	5.20	-	-	-	5.20
Creditors for Capital Supplies/ Services	-	7.52	-	-	-	7.52
Provision for Bonus	-	7.34	-	-	-	7.34
Salary & Other Accrued Expenses	-	104.87	-	-	-	104.87
Total	-	2,051.74	287.95	36.91	0.98	2,377.57

The Company participates in a TReDS arrangement for its MSME vendor payables (refer Note 73). In the event that such a platform were to become unavailable, the Company's MSME vendors would no longer have access to payment on due date through Treds, which may result in the Company being required to settle those payables from own funds than would otherwise be the case. The Company does not consider this to be a material concentration of liquidity risk given that the amounts involved (₹ 57.34 Mn as at March 31, 2026) are not material relative to the Company's total financial liabilities of ₹3,855.51 Mn.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash Credit Facilities	**409.05**	142.26
Total	**409.05**	142.26

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(₹ in millions)

As at March 31, 2026	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Investments	**-**				**1.28**	**1.28**
Trade Receivables	**-**	**2,464.23**				**2,464.23**
Cash and Cash Equivalents	**-**	**39.14**				**39.14**
Other Bank Balances	**-**	**10.69**				**10.69**
Loans	**-**	**0.05**	**-**			**0.05**
Other financial Assets						
Security Deposits	**-**				**13.64**	**13.64**
Bank deposits		**68.00**	**-**			**68.00**
Retention Money	**-**	**31.94**	**2.53**			**34.47**
Earnest Money Deposits	**-**	**3.60**	**50.27**			**53.87**
Provision for doubtful amounts	**-**	**(7.04)**				**(7.04)**
Others		**-**				**-**
Interest Income accrued	**-**	**48.69**				**48.69**
Total	**-**	**2,659.30**	**52.80**	**-**	**14.92**	**2,727.02**

(₹ in millions)

As at March 31, 2025	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
Non Derivative financial instruments						
Investments	-	-	-	-	1.28	1.28
Trade Receivables	-	1,095.50	-	-	-	1,095.50
Cash and Cash Equivalents	-	2.93	-	-	-	2.93
Other Bank Balances	-	8.40	-	-	-	8.40
Loans	-	0.63	0.01	-	-	0.64
Other financial Assets						
Security Deposits	-	-	-	-	8.36	8.36
Bank Deposits	-	-	99.00	-	-	99.00
Retention Money	-	31.61	3.62	-	-	35.23
Earnest Money Deposits	-	59.02	3.56	-	-	62.58
Provision for Doubtful Amounts	-	(3.65)	-	-	-	(3.65)
Amount receivable against sale of assets	-	-	-	-	-	-
Interest Income Accrued	-	0.69	-	-	-	0.69
Total	**-**	**1,195.14**	**106.19**	**-**	**9.63**	**1,310.96**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 68: CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to safeguard it's ability to continue as a going concern and to optimise returns to shareholders. The Company monitors the amount of Capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of underlying assets. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The Company takes and will take appropriate steps in order to maintain, or if necessary adjust it's capital structure.

The Company's adjusted net debt to equity ratio at March 31, 2026 and March 31, 2025 is as follows:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Debt (including lease liabilities)	**2,446.44**	1,642.67
Less: cash and cash equivalents	**39.14**	2.93
Adjusted net debt	**2,407.30**	1,639.73
Total equity	**2,058.06**	1,600.29
Adjusted net debt to adjusted equity ratio	**1.17**	1.02

NOTE 69: ADDITIONAL REGULATORY INFORMATION

a. **Details of Benami Property:**

The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. **Details of Crypto Currency or Virtual Currency:**

The Group have not traded or invested in Crypto currency or Virtual Currency during reporting periods.

c. **Utilization of Borrowed Funds and Share Premium (as per MCA Circular 11/2022)**

The Group has not advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (recorded or otherwise) that the intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries), or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Group has also not received any funds from any such person(s) or entity(ies) with the understanding that the Company shall, directly or indirectly:

i) lend or invest in other persons or entities identified by or on behalf of the funding party (Ultimate Beneficiaries), or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

d. Details of unrecorded transactions:

The Group does not have any 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).

e. Details of compliances as per Companies Act 2013:

(i) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(ii) The Group is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.

(iii) There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting periods.

(iv) During the reporting periods, the Group does not have any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties as per the definition of Companies Act, 2013.

f. During the year ended March 31, 2026, the Group has not revalued any property, plant and equipment and intangible assets.

g. The Group has not received any borrowings from banks or financial institutions that were not used for the specific purpose for which they were borrowed at the balance sheet date.

NOTE 70:

The Group has used accounting software for maintaining its books of account for financial year ended March 31, 2026 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 such software. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software.

NOTE 71: EVENTS AFTER THE REPORTING PERIOD

a The Board of Directors, at its meeting held on May 16, 2026, recommended a final dividend of ₹ 1.40 per equity share for the year ended March 31, 2026, subject to shareholders' approval. The dividend has not been recognized as a liability as at March 31, 2026.

b The Board approved preferential issue of 10,86,366 equity shares to Tata Mutual Fund – Tata Small Cap Fund at ₹ 920.50 per share, aggregating to ₹ 1,000 millions, subject to shareholders' and other applicable approvals.

c The Board approved grant of 75,291 stock options under the Hirect Employee Stock Option Plan 2018 at a grant price of ₹ 470 per option. Further, on April 29, 2026, the Company allotted 4,625 equity shares pursuant to exercise of stock options under the said scheme.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

d The Group had approved bonus issue of equity shares in the ratio of 1:1, with record date of March 27, 2026. Allotment/listing formalities completed after March 31, 2026 have been considered as non-adjusting events. The effect on earnings per share, where applicable, has been considered in accordance with Ind AS 33, Earnings per Share.

e The Company is in the process of incorporation of a wholly owned subsidiary in Dubai International Financial Centre, UAE, after the reporting date, pursuant to approval of the Board of Directors. The proposed investment in the subsidiary is ₹ 3.76 millions. The incorporation has been considered as a non-adjusting event after the reporting period.

f The Board approved re-appointment of Mr. Suramya Nevatia as Managing Director for three years from August 17, 2026 to August 16, 2029, subject to shareholders' approval, and revision in remuneration of Ms. Akshada Nevatia, Executive Director, subject to applicable approvals. Mr. Suhas Pawar was appointed as Company Secretary and Compliance Officer with effect from May 16, 2026.

g Except as disclosed above, there were no other material events after the reporting period requiring adjustment to or disclosure in the financial statements.

NOTE 72: INCORPORATION OF SUBSIDIARY DURING THE YEAR

a. A wholly owned subsidiary named Coincade Studios Private Limited has been incorporated in India on April 15, 2025. It will be involved in developing cutting-edge products and solutions in Information Technology (IT), Artificial Intelligence (AI), Web3, and varied software.

b. BELINK HIRECT SAS, incorporated on September 30, 2025 as a subsidiary of Hind Rectifiers Limited, with effect from October 01, 2025 as the effective date of takeover of business, has since been renamed and is now known as Elventive France.

NOTE 73: The Company participates in a Trade Receivables Discounting System (TReDS) platform, regulated by the Reserve Bank of India, under which MSME vendors receive early payment against their accepted invoices through financiers on the platform. The Company settles the invoice amount to the financier on the original due date.

Since FY 2025-26 is the first year of application of this amendment, comparative information for the year ended March 31, 2025 is not required to be disclosed. The following disclosures are made in respect of the TReDS arrangement:

Particulars	As at March 31, 2026 (₹ in millions)
Carrying amount of MSME trade payables forming part of the TReDS arrangement (included in Note 26 — Trade Payables)	57.34
Of the above — amount for which the financier has already paid the MSME supplier and the Company has not yet settled with the financier as at the reporting date	51.35
Range of payment due dates — payables forming part of the TReDS arrangement	30 to 45 days from invoice date
Range of payment due dates — comparable MSME trade payables not forming part of the TReDS arrangement	30 to 45 days from invoice date

There were no non-cash changes in the carrying amount of trade payables forming part of the TReDS arrangement during the year ended March 31, 2026. The Company does not consider the TReDS arrangement to represent a material concentration of liquidity risk (refer Note 67).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31 2026 (Contd.)

NOTE 74:

During the period, pursuant to the enactment of the New Labor Codes by the Government of India, effective November 21, 2025, the Company has reassessed its employee benefit obligations in accordance with Ind AS 19 – Employee Benefits.Accordingly, the Company has recognized a one-time increase in employee benefit provision amounting to ₹ 19.96 million, representing past service cost, which has been recognized in the Statement of Profit and Loss for the year and disclosed as an exceptional item.

NOTE 75: Previous year's figures are regrouped and rearranged wherever necessary.

NOTE 76: The Financial Statements were authorized for issue by the Board of Directors on May 16, 2026.

The accompanying notes are an integral part of the financial statements

As per our report attached

For **GMJ & Co**
Chartered Accountant
F.R. No.: 103429W

CA Madhu Jain
Partner
Membership No.: 155537

Place: Mumbai
Date: May 16, 2026

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

Form AOC- 1

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

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

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sr. No.	Name of the subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Country of Incorporation	Reporting currency in the case of foreign subsidiaries	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital (including share application money)*	Reserves and surplus	Total assets	Total Liabilities (Other than equity)	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of shareholding (in %)
1	Hirect FZ-LLC	Date of becoming subsidiary: November 21, 2024	April 1, 2025 to March 31, 2026	UAE	AED	25.56	2.91	(3.16)	5.20	5.45	-	3.00	(1.62)	-	(1.62)	-	100%
2	Coincade Studios Private Limited	Date of becoming subsidiary: April 15, 2025	April 1, 2025 to March 31, 2026	INDIA	INR	NA	4.00	(0.56)	6.32	2.88	-	-	(0.56)	-	(0.56)	-	100%
3	Elventive France	Date of becoming subsidiary: September 30, 2025	April 1, 2025 to March 31, 2026	FRANCE	EURO	108.09	216.18	(192.24)	753.43	729.49	-	498.29	(188.56)	-	(192.24)	-	66%

Notes:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

For and on behalf of the Board of Directors

Suramya Nevatia
Chairman & Managing Director
DIN: 06703910

Parimal Merchant
Director
DIN:00201962

A. K. Nemani
Chief Financial Officer

Manoj Nair
Chief Executive Officer

Suhas Pawar
Company Secretary
ACS - 36560

Place: Mumbai
Date: May 16, 2026

NOTES

Hind Rectifiers Limited

Registered Office
Lake Road, Bhandup (W)
Mumbai - 400078
P: +91 99677 29777
E: marketing@hirect.com

Manufacturing Units and R&D
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Nashik (Sinnar) I Mumbai I
Hyderabad

Global Offices
New Delhi I Kolkata I Chennai I
UAE | France