

Annual Report - 2026

DR AXION
DR AXION INDIA LIMITED

Wholly Owned Subsidiary of
Craftsman
— AUTOMATION —

Balance Sheet

As at March 31, 2026

CIN : U50300TN2006PLC061870

(All amount in ₹ lakhs, unless otherwise stated)

(₹ in Lakhs)

Particulars	Note No.	As at March 31 2026	As at March 31 2025
ASSETS			
Non-current assets			
Property, Plant and Equipment	1.1	28,370	30,196
Capital Work in progress	1.2	2,595	163
Intangible assets	1.3	-	1
Right-of-use Assets	1.4	193	232
Financial assets			
Investments	1.5	14,796	22
Loans	1.6	5,000	-
Security Deposits	1.7	661	439
Other non-current assets	1.8	4,747	287
		56,362	31,340
Current assets			
Inventories	1.9	22,303	16,647
Financial assets			
Trade Receivables	1.10	25,163	23,188
Cash and cash equivalents	1.11	1,545	1,023
Other bank balances	1.12	150	-
Other Financial assets	1.13	483	307
Other Current assets	1.14	1,716	792
		51,360	41,957
Total Assets		1,07,722	73,297
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1.15	11,285	11,285
Other Equity	1.16	57,991	39,849
		69,276	51,134
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	1.17	14,413	5,870
Lease Liabilities	1.18	180	213
Other Non-Current Financial Liabilities	1.19	356	253
Deferred tax liabilities (Net)	1.20	646	962
		15,595	7,298
Current liabilities			
Financial Liabilities			
Borrowings	1.21	2,822	2,927
Lease Liabilities	1.22	35	30
Trade payables	1.23		
(a) total outstanding dues of micro enterprises & small enterprises		976	892
(b) total outstanding dues of creditors other than micro enterprises & small enterprises		14,867	7,104
Other Financial Liabilities	1.24	1,407	813
Other current liabilities	1.25	102	2,618
Provisions	1.26	537	238
Current tax liabilities (Net)	1.27	2,105	243
		22,851	14,865
Total Equity and Liabilities		1,07,722	73,297

The accompanying notes form an integral part of the financial statement

As per our report of even date attached

For **PKF SRIDHAR & SANTHANAM LLP**

Chartered Accountants

Firm Registration No. 003990S/S200018

S.Rajeshwari

Partner

Membership No. 215565

Place : Coimbatore

Date : April 25, 2026

For and on behalf of the Board

Ravi Gauthamram

Non - Executive Director

DIN: 06789004

Place: Coimbatore

Date : April 25, 2026

Chinnusamy Barani

Company Secretary

M.No.71443

Place : Coimbatore

Date : April 25, 2026

Kim Jong Seob

Managing Director & CEO

DIN : 07382589

Place: Tiruvallur

Date : April 25, 2026

C.B. Chandrasekar

Chief Financial Officer

Place : Coimbatore

Date : April 25, 2026

Statement of Profit and Loss

For the year ended March 31, 2026

CIN : U50300TN2006PLC061870

(All amount in ₹ lakhs, unless otherwise stated)

(₹ in Lakhs)

Particulars	Note No.	Year ended March 31 2026	Year ended March 31 2025
INCOME			
Revenue From Operations	2.1	1,61,868	1,29,852
Other Income	2.2	1,439	322
Total Income		1,63,307	1,30,174
EXPENSES			
Cost of materials consumed	2.3	1,06,882	83,829
Changes in inventories of finished goods and work-in-progress	2.4	(205)	213
Employee benefits expense	2.5	4,801	4,118
Finance costs	2.6	930	1,249
Depreciation and amortization expense	2.7	5,050	4,596
Other expenses	2.8	20,900	19,100
Total expenses		1,38,358	1,13,105
Profit before exceptional items and tax		24,949	17,069
Exceptional items	3.18	(54)	-
Profit before tax		24,895	17,069
Tax expense:			
(1) Current tax for the year		6,564	4,390
(2) Tax pertaining to earlier years	3.1	-	140
Net Tax		6,564	4,530
(3) Deferred tax	3.2	(317)	(173)
Profit for the year		18,648	12,712
Other Comprehensive Income ('OCI')			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		5	(34)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1)	9
Other Comprehensive Income for the year, net of tax		4	(25)
Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the year)		18,652	12,687
Earnings per equity share Basic & Diluted (Face value of ₹10/-)	3.4	16.52	11.26

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Date : April 25, 2026

Statement of Cashflow

for the year ended March 31, 2026
CIN : U50300TN2006PLC061870

(All amount in ₹ lakhs, unless otherwise stated)

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Cash flows from operating activities		
Profit before taxation ('PBT')	24,895	17,069
Adjustments to reconcile PBT to net cash flows:		
Depreciation and amortization expense	5,050	4,596
(Gain) or Loss on sale of property, plant and equipment	2	-
Impairment of investment	-	30
Amortisation of Financial Guarantee Obligation	(310)	(49)
Exchange difference on translation (loss/(gain))	(90)	(171)
Provision for :		
Rejection & Warranty	79	56
Slow moving inventory	74	98
Provision written back	-	(68)
Amortised Processing Fee - Borrowings	6	6
Interest income	(515)	(30)
Interest expense	924	1,243
Operating cash flow before changes in working capital	30,115	22,780
Adjustments for:		
Increase/ (Decrease) in provisions	225	(94)
Increase/ (Decrease) in other financial liabilities	78	(22)
Increase/ (Decrease) in other current liabilities	(2,516)	1,341
Increase/ (Decrease) in Trade Payables	7,773	(6,170)
(Increase)/ Decrease in other financial assets & Security Deposits	(47)	(302)
(Increase)/ Decrease in other current assets	(924)	(244)
(Increase)/ Decrease in trade receivables	(1,811)	(5,675)
(Increase)/ Decrease in inventories	(5,730)	2,540
Cash generated from operations	27,161	14,154
Income taxes paid (Net of refunds)	(4,702)	(4,518)
Net cash from operating activities - A	22,459	9,636
Cash flows from investing activities		
Payment for Purchase of property, plant and equipment	(9,962)	(4,709)
Proceeds from sale of property, plant and equipment	224	-
(Purchase) / Sale of shares	(14,774)	(5)
Loans (given)/repaid	(5,000)	-
Interest received	165	30
Deposits	(150)	-
Net cash used in investing activities - B	(29,497)	(4,684)

Statement of Cashflow

for the year ended March 31, 2026

CIN : U50300TN2006PLC061870

(All amount in ₹ lakhs, unless otherwise stated)

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Cash flows from financing activities		
Proceeds from long-term borrowings	12,864	-
Repayment of long-term borrowings	(4,432)	(5,549)
Net proceeds from short-term borrowings	-	-
Principal payments towards lease liability	(28)	(17)
Interest paid (including interest on lease liability)	(843)	(1,289)
Net cash used in financing activities- C	7,561	(6,855)
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	523	(1,925)
Cash and cash equivalents at beginning of the year	1,023	2,948
Cash and cash equivalents at end of the year	1,545	1,023

Notes: 1. Reconciliation of Cash & Cash equivalents as per Statement Cash Flow

Refer note 1.17 Net Debt Reconciliation

Particulars	As at March 31 2026	As at March 31 2025
Cash and cash equivalents (note : 1.13)	1,545	1,023
Total	1,545	1,023

The accompanying notes form an integral part of the financial statement

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DIN : 07382589

Place: Tiruvallur

Date : April 25, 2026

C.B. Chandrasekar

Chief Financial Officer

Place : Coimbatore

Date : April 25, 2026

Statement of Changes in Equity

for the year ended March 31, 2026
CIN : U50300TN2006PLC061870

(All amount in ₹ lakhs, unless otherwise stated)

a. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the beginning of April 1,2025	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the period	Balance As at March 31 2026
	11,285	-	-	-	11,285

a. Equity Share Capital

Particulars	Balance at the beginning of April 1,2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the period	Balance As at March 31 2025
	11,285	-	-	-	11,285

b. Other Equity

Particulars	Reserves and Surplus			Other Reserves		Total
	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	
Balance as at April 1,2024	5,087	-	22,555	-	-	27,642
Profit for the year	-	-	12,712	-	-	12,712
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-
- Defined Benefit Plan	-	-	(25)	-	-	(25)
Total Comprehensive Income for the year	-	-	12,687	-	-	12,687
Fair value of the Financial Guarantee Obligation(Refer note: 3.17)	-	-	(480)	-	-	(480)
Balance as at March 31,2025	5,087	-	34,762	-	-	39,849
Profit for the year	-	-	18,648	-	-	18,648
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-
- Defined Benefit Plan	-	-	4	-	-	4
Total Comprehensive Income for the year	-	-	18,652	-	-	18,652
Fair value of the Financial Guarantee Obligation(Refer note: 3.17)	-	-	(510)	-	-	(510)
Balance as at March 31,2026	5,087	-	52,904	-	-	57,991

The accompanying notes form an integral part of the financial statement

As per our report of even date attached

For **PKF SRIDHAR & SANTHANAM LLP**

Chartered Accountants

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S.Rajeshwari

Partner

Membership No. 215565

Place : Coimbatore

Date : April 25, 2026

For and on behalf of the Board

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DIN: 06789004

Place: Coimbatore

Date : April 25, 2026

Chinnusamy Barani

Company Secretary

M.No.71443

Place : Coimbatore

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Kim Jong Seob

Managing Director & CEO

DIN : 07382589

Place: Tiruvallur

Date : April 25, 2026

C.B. Chandrasekar

Chief Financial Officer

Place : Coimbatore

Date : April 25, 2026

MATERIAL ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

A CORPORATE INFORMATION

M/s. DR Axion India Limited (Formerly known as DR Axion India Private Limited) ('the Company') (CIN: U50300TN2006PLC061870) was incorporated under the Companies Act 1956 on December 27, 2006, having its registered office at No.7, Othappai Village, Ut hukottai Taluk, Thiruvallur, Tamil Nadu - 602023. The company has been incorporated to engage in manufacture of engine cylinder heads and cylinder blocks and caters primarily to automotive system and component manufacturing industries.

B MATERIAL ACCOUNTING POLICIES STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Section 133 of the Companies Act, 2013 (Act) read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of Companies Act, 2013.

Changes in Accounting Standards

The Ministry of Corporate Affairs ("MCA") notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 introducing amendments to certain standards, applicable to the Company with effect from 1st April, 2025. The key changes include guidance on foreign currency exchangeability (Ind AS 21), new disclosure requirements for supplier finance arrangements (Ind AS 7 / Ind AS 107), an exception and disclosure requirements relating to OECD Pillar Two income taxes (Ind AS 12), and clarifications on classification of liabilities subject to covenants (Ind AS 1 / Ind AS 10), certain provisions of which are effective from 1st April, 2026). The Company has reviewed these amendments and determined that they do not have any significant impact on its Financial Statements.

Changes in Accounting Standards that may affect the Company after 31st March 2026

New Accounting Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has not notified any other new standards or amendments to the existing standards applicable to the Company.

B1 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared on accrual and going concern basis. All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments and defined benefit plans that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Functional currency is the currency of the primary economic environment in which the entity operates. Presentation currency is the currency in which the financial statements are presented. The financial statements are presented in Indian Rupees which is the functional currency and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated.

B2 CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant Ind AS accounting policies provided below:

i. Useful life of Property, Plant and Equipment and Intangibles

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management. In case of intangible assets the useful life is determined based on the period over which future economic benefit will flow to the Company.

ii. Income Taxes and Deferred Tax

The calculation of income taxes requires judgement in interpreting tax rules and regulations. Management judgement is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognised. The Company

estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment.

iii. Measurement of defined benefit obligations

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions.

iv. Measurement and likelihood of occurrence of provisions and contingencies

The provision for warranty and rejection have been done based on past experiences, product lifecycle maturity, reprocessing/ repair cost.

v. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate.

vi. Inventory Valuation

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

B3 PROPERTY, PLANT AND EQUIPMENT

All Property Plant & Equipment (PPE) are stated at cost of acquisition / installation as adjusted for import duty waivers and foreign exchange losses / gains less accumulated depreciation and impairment losses.

Cost of acquisition / installation includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties).

Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

The Company had elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

Depreciation on Property, Plant and Equipment

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on straight-line basis over its useful life.

Useful life of various tangible assets

S No	Major Head	Useful Life (Years)
1	Land	No Depreciation
2	Plant & Machinery*	8
3	Mould	10
4	Furniture and Fittings	10
5	Office Equipment	5
6	Computer and Data processing Units	3
7	Pallet	5
8	Intangible Asset	5
9	Buildings (Factory)	30
10	Buildings-Others (temporary structures)	3
11	Vehicles	8
12	Electrical Installation and Equipment's	10

* Incase of plant & machinery with no excess shift depreciation the useful life will be 15 years.

De-recognition:

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/ loss arising out of such disposal/retirement is taken to Statement of profit and loss

B4 INTANGIBLE ASSETS

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset with finite useful life that are acquired separately and where the useful life is 1 years or more

is capitalised and carried at cost less accumulated amortization. Amortization is recognised on a straight line basis over the useful life of the asset. The class of asset and the estimated useful life is as follows

Description of the asset	Useful life and basis of amortization
Software - Acquired	5 Years

B5 IMPAIRMENT OF ASSETS

At the end of each reporting period, the company determines whether there is any indication that its assets (tangible, intangible assets and investments in equity instruments in joint ventures and associates carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

B6 LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Land. The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through-out the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term.

ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from operating activities; and
- payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

B7 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit and loss.

Financial guarantee contracts issued by the entity are contracts that require the entity to make specified payments to reimburse the holder for a loss incurred if a specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. These contracts are initially recognised as a liability at fair value, adjusted for any transaction costs directly attributable to the issuance of the guarantee. In cases where guarantees are provided for loans of related parties without any consideration, the fair value of such guarantees is recognised as a distribution to parent and debited to retained earnings.

Classification of financial assets

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Subsequent Measurement:

- i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortized cost using the effective interest method.

Effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

- ii) Financial assets (i.e., derivative instruments and investments in instruments other than equity of joint ventures) are subsequently measured at fair value.

Such financial assets are measured at fair value

at the end of each reporting period, with any gains or losses arising on remeasurement recognised in other comprehensive income. In respect of investment in equity share capital of group captive power companies which are made to comply with the provisions of Electricity Rules 2003, these investments are carried at cost as these investments can be sold back only at par.

- iii) Trade receivables

Trade receivables are initially recognised at transaction price.

Subsequently, these assets are held at amortized cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e., expected cash shortfall.

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

- ii) Other financial assets

Other financial assets are tested for impairment and expected credit losses are measured at an amount equal to 12 month expected credit loss. If the credit risk on the financial asset has increased significantly since initial recognition, then the expected credit losses are measured at an amount equal to life-time expected credit loss.

De-recognition of financial asset

Financial assets are de-recognized when the contractual right to cash flows from the financial asset expires or the financial asset is transferred, and the transfer qualifies for De-recognition. On De-recognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of De-recognition) and the consideration received (including any new asset obtained less any new liability Assumed) shall be recognized in the statement of profit and loss (except for equity instruments designated as FVTOCI).

Financial liabilities and equity instruments:

Classification:

All financial liabilities except financial guarantee contracts are classified and subsequently measured at amortized

cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalised as a part of cost of an asset is included in the "Finance Costs.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts issued by the Company are subsequently measured at the higher of:

- the amount of impairment loss allowance determined in accordance with requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and loss.

B8 INVENTORIES

The Company determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per Ind AS 2, 'Inventories'. The cost of other inventory items used is assigned by using weighted average cost formula.

The Company uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period. Inventories are initially recognised at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. NRV is the estimated selling price in the ordinary course of business,

less the estimated costs of completion and estimated selling expenses.

Raw materials, components, stores and spares of inventory are measured at weighted average cost. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at cost or Net Realisable Value whichever is lower. Cost includes direct materials, labor and a portion of manufacturing overheads. Provision is made for obsolete, non – moving and defective stocks wherever necessary.

The Company selects a reasonable basis for allocating overhead costs to inventory items and direct material costs is selected as the appropriate allocation base. Overheads refer to indirect costs incurred in the production process that cannot be directly traced to specific inventory items. These costs include, but are not limited to, factory overheads, utilities, depreciation and indirect labour costs.

B9 PROVISIONS

The Company recognises a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

A contingent liability is

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control

of the entity; or

- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Provision for Rejection

Provision for rejection on sales is recognised once the products are sold. Materials are rejected due to various reasons and are either re processed or replaced to the customers depending on the type of rejections. These rejections get fulfilled within a period of 3 months and the provisions represent the present value of management's best estimate of possible rejections within the next one quarter.

Provision for Warranty:

Provisions for expected cost of warranty obligations are recognised based on management's best estimate of the expenditure required to settle the obligation which considers the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidences.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

B10 REVENUE RECOGNITION

Sale of Goods & Rendering of Services

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Other Operating revenues

Other operating revenues comprise income from ancillary activities incidental to the operations of the Company and are recognised when the right to receive the income is established as per the terms of the contract. Export benefit entitlements are recognised when the right to receive credit as per the terms of the scheme is established in respect of the exports and there is no uncertainty in receiving the same.

B11 EMPLOYEE BENEFITS

Employee Benefits

Defined contribution plans

Provident fund (PF)

Contribution towards PF is determined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and charged to the Statement of Profit and Loss during the period of incurrence when the services are rendered by the employees.

The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security 2020 have been passed by the parliament and have also received the assent of the President of India on 28 September 2020. However, the date on which these Codes will come into effect has not been notified. The Company will assess the impact of these Codes and will record any related impact in the period these Codes become effective.

Defined benefit plans (Gratuity)

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The Statement of Profit and Loss reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and remeasurement gains and losses.

Remeasurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net

defined benefit liability or asset). Remeasurements are recognised in other comprehensive income.

The defined benefit costs are comprised of the following individual components:

- Service costs (including current and past service costs as well as gains/losses on curtailments and settlements)
- Net interest costs or income
- Re-measurement

The Company presents the first two components of defined benefit costs in profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/asset pertaining to gratuity comprises actuarial gains/losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss.

Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short-term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service. Compensated leave absences are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy. All leave remaining to be encashed at period end are fully provided. The liabilities are presented as current employee benefits obligations in the balance sheet.

Earned leave encashment

Earned leave payments are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy. All leave remaining to be encashed at period end are fully provided.

B12 INCOME TAXES

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive

income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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 realised, 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.

B13 STATEMENT OF CASH FLOWS

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using

indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

B14 FOREIGN CURRENCY TRANSACTIONS

The Company's foreign operations are an integral part of the Company's activities. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that

date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

B15 BORROWING COST

Borrowing costs (general and specific borrowings) that are attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

B16 INVESTMENTS IN EQUITY INSTRUMENT OF SUBSIDIARY

The company measures its investments in equity instruments of subsidiary at cost in accordance with Ind AS 27. The Company has elected to value its investments in subsidiary at cost as per Ind AS and these are being tested for impairment at each reporting period.

Notes to Financial Statements

for the year ended March 31 2026

1.1 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

Asset Category	Freehold land	Building	Plant & Machinery	Electrical Fittings	Office Equipment	Furniture & Fixtures	Computers	Vehicles	Property, Plant & Equipment Total
Gross Block									
At April 1, 2024	365	9,579	48,888	2,462	629	110	125	62	62,220
Additions	-	-	5,598	103	1	18	5	55	5,780
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2025	365	9,579	54,486	2,565	630	128	130	117	68,000
Additions	1,128	132	1,762	120	13	-	9	33	3,197
Disposals	-	-	506	269	-	-	-	58	832
At March 31 2026	1,493	9,711	55,743	2,417	643	128	139	93	70,366
Depreciation									
At April 1, 2024	-	2,380	28,772	1,513	383	70	67	48	33,233
Additions	-	317	4,017	145	60	6	18	8	4,571
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2025	-	2,697	32,789	1,658	443	76	85	56	37,804
Additions	-	319	4,434	164	58	8	18	9	5,010
Disposals	-	-	499	267	-	-	-	52	818
At March 31 2026	-	3,016	36,724	1,555	501	84	103	13	41,996
Carrying Value									
At March 31, 2025	365	6,882	21,697	907	187	52	45	61	30,196
At March 31 2026	1,493	6,695	19,018	862	142	44	36	80	28,370

Notes to Financial Statements

for the year ended March 31, 2026

1.2 CAPITAL WORK IN PROGRES

(₹ in Lakhs)

Asset Category	TANGIBLE - CWIP
Gross Block	
At April 1, 2024	1,409
Additions	163
Capitalised	1,409
At March 31, 2025	163
Additions	2,763
Capitalised	120
Deletion	211
At March 31 2026	2,595
Impairment	-
At March 31, 2025	163
At March 31 2026	2,595

1.2(a) CWIP ageing schedule

As on 31 Mar, 2025

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	163	-	-	-	163
Projects temporarily suspended	-	-	-	-	-
	163	-	-	-	-

As on 31 Mar, 2026

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	2,552	43	-	-	2,595
Projects temporarily suspended	-	-	-	-	-

1.3 INTANGIBLE ASSETS

(₹ in Lakhs)

Asset Category	Computer Software	Intangible Assets Total
Gross Block		
At April 1, 2024	7	7
Additions	-	-
Disposals	-	-
At March 31, 2025	7	7
Additions	-	-
Disposals	-	-
At March 31, 2026	7	7

Notes to Financial Statements

for the year ended March 31, 2026

Asset Category	Computer Software	Intangible Assets Total
Amortisation		
At April 1, 2024	5	5
Additions	1	1
At March 31, 2025	6	6
Additions	1	1
At March 31, 2026	7	7
Carrying Value		
At March 31, 2025	1	1
At March 31 2026	-	-

1.4 RIGHT-OF-USE ASSETS

(Land & Building)

(₹ in Lakhs)

Asset Category	Right-of-use Assets
Gross Block	
At April 1, 2024	122
Additions	159
Disposals	-
At March 31, 2025	281
Additions	-
Disposals	-
At March 31, 2026	281
Depreciation	
At April 1, 2024	25
Additions	24
Disposals	
At March 31, 2025	49
Additions	39
Disposals	-
At March 31 2026	88
Carrying Value	
At March 31, 2025	232
At March 31 2026	193

Notes to Financial Statements

for the year ended March 31, 2026

FINANCIAL ASSETS

NOTE No. 1.5

NON CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Investment in Equity Share of Subsidiary Companies		
Unquoted investment (at amortised cost)		
Suprash Developers Private Limited	14,760	-
(22,850 Equity Shares of ₹10 each fully paid-up)		
Investment in Equity instruments (at amortised cost)		
Unquoted investment		
(i) NSL Wind Power Company(Phoolwadi)Pvt Ltd	22	22
(2,20,405 Equity Shares of ₹10 each fully paid-up)		
(ii) Shri Dhanalakshmi Spinntex Pvt Ltd	8	-
(8,000 Equity Shares of ₹100 each fully paid-up)		
(iii) Dambo Farms Private Limited	2	-
(15,500 Equity Shares of ₹10 each fully paid-up)		
(iv) Goldi Gold Private Limited	2	-
(15,500 Equity Shares of ₹10 each fully paid-up)		
(v) Silver Brook Farms Private Limited	2	-
(22,000 Equity Shares of ₹10 each fully paid-up)		
(vi) Tara Green Power Private Limited	-	-
(40 Equity Shares of ₹100 each fully paid-up)		
(vii) Viksha Green Energy Private Limited	-	-
(1278 Equity Shares of ₹10 each fully paid-up)		
(viii) Urvang Agro Private Limited	-	-
(100 Equity Shares of ₹10 each fully paid-up)		
Total	14,796	22

Particulars	As at March 31 2026	As at March 31 2025
Aggregate amount of unquoted investments	14,796	22
Aggregate amount of impairment in value of investments	-	-

NOTE No. 1.6

LOANS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Unsecured, Considered Good		
Loans to Related Parties		
Loan to Fellow Subsidiary	5,000	-
Total	5,000	-

Notes to Financial Statements

for the year ended March 31, 2026

NOTE No. 1.7

SECURITY DEPOSITS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Unsecured, Considered Good		
Rent Deposit	42	34
Other Deposits	609	395
Deposit with Bank having remaining Maturity more than 12 months*	10	10
Total	661	439

*Given as Guarantee to Total Energies Marketing India Pvt.Ltd

NOTE No. 1.8

OTHER NON CURRENT ASSETS

Unsecured, considered good unless otherwise stated

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Capital Advances	4,747	287
Total	4,747	287

Refer note: 3.8 for Related Parties

NOTE No. 1.9

INVENTORIES**

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Raw Materials, Components and Consumables	11,913	6,467
Work-in-progress	6,606	6,755
Finished goods	1,463	1,109
Consumable Stores*	584	433
Machinery Spares **	1,730	1,879
Packing Materials	7	4
Total	22,303	16,647

*Slow moving inventories identified and made provision in the current year ₹74 lakhs which is grouped under cost of material consumed (previous year is ₹98 lakhs)

** Measured at Cost or NRV whichever is less

Movement in Provision for Slow moving is as follows :

(₹ in Lakhs)

	Opening	Expired during the year	Rejection provided for the year	Closing
As at March 31 2026	209	-	74	283
As at March 31 2025	111	-	98	209

NOTE No. 1.10

TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Trade Receivable		
Considered good - Secured	-	-
Considered good - Unsecured	25,163	23,188
Credit impaired	-	-
Less: Allowances for credit impairment	-	-
Total	25,163	23,188

Receivables from Related parties refer note: 3.8

Notes to Financial Statements

for the year ended March 31, 2026

NOTE No. 1.11

CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
a. Balances with banks	1,545	1,023
b. Cash on hand	-	-
Total	1,545	1,023

NOTE No. 1.12

OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Margin money against LC	150	-
Total	150	-

NOTE No. 1.13

OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Interest receivable	351	-
(Unsecured, considered good unless otherwise stated)		
Other receivable	132	307
Total	483	307

NOTE No. 1.14

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
(Unsecured, considered good unless otherwise stated)		
Balances with Government Authorities	559	395
Advance to Suppliers (Other than Capital Goods)	1,098	359
Prepaid Expenses	59	37
Advance to Employees	-	1
Total	1,716	792

NOTE No. 1.15

EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31 2026		As at March 31 2025	
	Nos.	Amount	Nos.	Amount
Authorised	13,30,00,000	13,300	13,30,00,000	13,300
Compulsory Convertible Preference Shares of ₹10 each	45,00,000	450	45,00,000	450
Issued, called, subscribed & Fully Paid Up				
Equity Shares of ₹10 each	11,28,49,515	11,285	11,28,49,515	11,285
Total	11,28,49,515	11,285	11,28,49,515	11,285

Notes to Financial Statements

for the year ended March 31, 2026

The movement of equity shares is as below:

Particulars	As at March 31 2026		As at March 31 2025	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	11,28,49,515	11,285	11,28,49,515	11,285
Additions due to issue of shares	-	-	-	-
Shares outstanding at the end of the year	11,28,49,515	11,285	11,28,49,515	11,285

Rights, Preferences and Restrictions to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the shareholders will be entitled to receive the remaining assets of the Company, in proportion to their shareholding.

Shareholders' holding more than 5 percent equity shares		As at March 31 2026	
Name of the equity shareholder		No. of Shares held	% of Holding
Craftsman Automation Limited, India (Holding Company)		11,28,49,455	100%

Shareholders' holding more than 5 percent equity shares		As at March 31 2025	
Name of the equity shareholder		No. of Shares held	% of Holding
Craftsman Automation Limited, India (Holding Company)		11,28,49,455	100%

Details of Promoter's shareholding in the company

Name of the Promoter	As at March 31 2026			As at March 31 2025		
	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding	% Change
Promoter						
Craftsman Automation Limited (Holding Company)	11,28,49,455	100%	0%	11,28,49,455	100%	32%

For the period of five years immediately preceding the balance sheet date

The Company has not allotted any shares pursuant to contracts without payment being received in cash

The Company has not bought back any shares

The Company has not allotted as fully paid up pursuant to contract by way of bonus shares

The Company has not reserved any shares for issue under options & contracts on any commitment for sale of shares or for disinvestment

NOTE No. 1.16

OTHER EQUITY

(₹ in Lakhs)

Particulars		As at March 31 2026	As at March 31 2025
Reserves & Surplus			
Securities Premium	A	5,087	5,087
General Reserves	B	-	-
Retained Earnings	B	52,904	34,762
Total Reserves & Surplus		57,991	39,849
Equity instruments through Other Comprehensive Income		-	-
Total (A+B+C)		57,991	39,849

Notes to Financial Statements

for the year ended March 31, 2026

Additions and Deductions since the last balance sheet date:

(i) Securities Premium Account

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Opening balance	5,087	5,087
Closing balance	5,087	5,087

(ii) General Reserves

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Opening balance	-	-
Closing balance	-	-

(iii) Retained Earnings

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Opening balance	34,762	22,555
Profit for the year	18,648	12,712
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit obligation (net of tax)	4	(25)
Fair value of the Financial Guarantee Obligation(Refer note: 3.17)	(510)	(480)
Closing balance	52,904	34,762

- A) Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.
- B) General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend pay-out, bonus issue, etc.
- C) Retained Earnings are the profits that the company as earned till date, less any transfer to general reserve, dividends or other distributions paid to the shareholders.

NOTE No. 1.17

BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31 2026		As at March 31 2025	
	Non Current	Current	Non Current	Current
Secured				
From Banks				
Rupee Term Loans - Banks	2,442	2,304	5,870	2,927
From NBFC				
Rupee Term Loans - NBFC	11,971	518		
Total	14,413	2,822	5,870	2,927

Net Debt Reconciliation

Notes to Financial Statements

for the year ended March 31, 2026

For the year ended 31 March 2026

(₹ in Lakhs)

Particulars	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt	Lease Liability	Total
Balance as at 01 April 25	-	8,833	243	9,076
Acquisition of RoU assets / Proceeds	1,750	12,864		14,614
Repayments	(1,750)	(4,432)	(28)	(6,210)
Interest expense and other charges	5	900	19	924
Interest paid	(5)	(819)	(19)	(843)
Non Cash transaction	-	6		6
Balance as at 31 March 26	-	17,352	215	17,567

(₹ in Lakhs)

Particulars	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt	Lease Liability	Total
Balance as at 01 April 24	-	14,422	104	14,526
Acquisition of RoU assets / Proceeds	2,500		156	2,656
Repayments	(2,500)	(5,549)	(17)	(8,066)
Interest expense and other charges	30	1202	11	1,243
Interest paid	(30)	(1,248)	(11)	(1,289)
Non Cash transaction	-	6		6
Balance as at 31 March 25	-	8,833	243	9,076

NOTE No. 1.18

LEASE LIABILITIES - NON-CURRENT

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Lease Liabilities	180	213
Total	180	213

Refer Note 3.14 for Lease Maturity Profile.

NOTE No. 1.19

NON-CURRENT FINANCIAL LIABILITIES- OTHERS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Financial Guarantee Obligation	356	253
Total	356	253

Refer Note:3.17

NOTE No. 1.20

DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Deferred Tax Liabilities	751	1,050
Deferred Tax Assets	(105)	(88)
Deferred Tax Liabilities (net)	646	962
Total	646	962

Note : Refer Note No 3.1 & 3.2 for detailed deferred tax working and effective tax rate reconciliation

Notes to Financial Statements

for the year ended March 31, 2026

NOTE No. 1.21

SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Current maturities of long-term debt	2,822	2,927
Total	2,822	2,927

NOTE No. 1.22

LEASE LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Lease Liabilities	35	30
Total	35	30

Refer Note 3.14 for Lease Maturity Profile.

NOTE No. 1.23

TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Total outstanding dues of micro enterprises & small enterprises	976	892
Sub-total (A)	976	892
Total outstanding dues of creditors other than micro enterprises & small enterprises	13,772	6,205
Accrued Expenses and others	1,095	899
Sub-total (B)	14,867	7,104
Total	15,843	7,996

Payable to related parties refer note: 3.8

NOTE No. 1.24

OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Interest accrued but not due on borrowings	117	36
Creditors for capital goods and services	583	245
Employee related liabilities	423	342
Financial Guarantee Obligation	275	178
Others - OCFL	9	12
Total	1,407	813

Payable to related parties refer note: 3.8

Financial Gurantee obligation refer note: 3.17

NOTE No. 1.25

OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Advance from customers	-	776
Statutory Dues	102	1,842
Total	102	2,618

Notes to Financial Statements

for the year ended March 31, 2026

NOTE No. 1.26

SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Provision for employee benefits		
Gratuity	104	66
Other Provisions		
Provision for CSR	182	-
Provision for Rejection	101	76
Provision for Warranty Cost	150	96
Total	537	238

Movement in Provision for Warranty is as follows :

(₹ in Lakhs)

Particulars	Opening	Expired during the year	Warranty provided for the year	Closing
As at March 31 2026	96	-	54	150
As at March 31 2025	48	-	48	96

Particulars	Opening	Expired during the year	Warranty provided for the year	Closing
As at March 31 2026	76	76	101	101
As at March 31 2025	69	69	76	76

NOTE No. 1.27

CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Income tax provisions less advance payment	2,105	243

NOTE No. 1.10(a)

TRADE RECEIVABLE AGEING SCHEDULE: -

For the year ending 31-March-2026

(₹ in Lakhs)

Particulars	Non Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	19,080	5,918	116	49	-	-	25,163
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	19,080	5,918	116	49	-	-	25,163

Notes to Financial Statements

for the year ended March 31, 2026

For the year ending 31-March-2025

Particulars	Non Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	17,248	5,918	116	49	-	-	25,163
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	17,248	5,815	125	-	-	-	23,188

Note 1.22(a)

TRADE PAYABLE AGEING SCHEDULE:-

For the year ending 31-March-2026

(₹ in Lakhs)

Particulars	Non Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSE	976	-	-	-	-	976
(ii) Others	5,336	8,406	-	30	-	13,772
(iii) Disputed dues -MSE	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Accrued Expenses and others						1,095
Total	6,312	8,406	-	30	-	15,843

For the year ending 31-March-2025

Particulars	Non Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSE	892	-	-	-	-	892
(ii) Others	1,782	4,393	-	30	-	6,205
(iii) Disputed dues -MSE	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Accrued Expenses and others						899
Total	2,674	4,393	-	30	-	7,996

Notes to Financial Statements

for the year ended March 31, 2026

NOTE No. 2.1

REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Sale of products		
Domestic Sales	1,35,807	1,18,976
Export Sales	19,868	6,192
A.	1,55,675	1,25,168
Other operating revenues		
Sale of swarf & others	5,734	4,542
Duty Drawback	303	93
Export Incentive under RoDTEP	156	49
B.	6,193	4,684
Revenue from operations (A+B)	1,61,868	1,29,852

NOTE No. 2.1(a)

Contract Asset & Liabilities

The company has recognised the following revenue related contract assets & liabilities

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Contract Assets	-	-
Contract Liabilities (Refer Note:1.25)	-	776

NOTE No. 2.2

OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Interest Income from deposits measured at amortised cost & Others	165	30
Net gain/(Loss) on sale of Property, Plant & Equipment	2	-
Exchange rate Gain/(Loss) on Transaction & Translation	610	171
Amortisation of Financial Guarantee Obligation*	310	49
Provision written back	-	68
Interest on Loan to Fellow Subsidiary	350	-
Others - Other Income	2	4
Total	1,439	322

* Refer note:3.17

Refer note: 3.8 for Related parties

Notes to Financial Statements

for the year ended March 31, 2026

NOTE No. 2.3

COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Cost of materials consumed		
Cost of goods sold	1,06,501	83,505
Carriage inward	375	320
Sub Contract Charges	6	4
Total	1,06,882	83,829

NOTE No. 2.4

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Inventory at the end of the year	6,606	6,755
Work in Progress	1,463	1,109
Finished Goods		
Sub total	8,069	7,864
Inventory at the beginning of the year		
Work in Progress	6,755	6,071
Finished Goods	1,109	2,006
Sub total	7,864	8,077
(Increase) / decrease in inventory	(205)	213

NOTE No. 2.5

EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Salaries and wages	3,169	2,717
Contributions to PF & ESI	205	155
Contribution to Gratuity fund	52	28
Managerial Remuneration	148	116
Staff welfare expenses	1,227	1,102
Total	4,801	4,118

NOTE No. 2.6

FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Interest expenses		
On Short Term Borrowings	5	30
On Long Term Borrowings at Amortised Cost	791	1,013
Others	67	149
Unwinding of discounted Upfront fee on loans	6	6
Interest unwind - lease liability	19	11
Other Borrowing costs		
Bank charges	42	40
Total	930	1,249

Notes to Financial Statements

for the year ended March 31, 2026

NOTE No. 2.7

DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Depreciation on Property, Plant & Equipment	4,969	4,571
Amortization of Intangible Assets	1	1
Depreciation - Right-of-use Asset	39	24
Write off	41	-
Total	5,050	4,596

NOTE No. 2.8

OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Manufacturing Expenses		
Stores, Spares & tool consumed	2,243	1,967
Power & Fuel	8,850	8,733
Repairs & Maintenance		
- Machinery	1,862	1,686
- Building	129	125
- Others	575	341
Payment to contractors	3,596	3,100
Other manufacturing expenses	142	167
A.	17,397	16,119
Administrative Expenses		
Professional and Consultancy charges	1,112	1,178
Insurance Charges	70	70
Rates & Taxes	48	73
Software Licenses	29	18
General Administrative Expenses	114	72
De-recognition of Investment	-	30
Printing & Stationery	18	21
Postage & Telegrams	4	-
Rent	177	20
Security Charges	69	55
Telephone Expenses	15	15
Travelling Expenses	128	117
Directors' Sitting Fees & Commission	18	14
Remuneration to auditors		
Statutory Audit	21	17
Taxation	2	2
Certification	1	-
Total Remuneration	24	19
CSR Expenses	290	178
Provisions for the year		
Warranty	54	48
Rejections	25	8

Notes to Financial Statements

for the year ended March 31, 2026

Particulars	Year ended March 31 2026	Year ended March 31 2025
B.	2,195	1,936
Selling expenses		
Packing material consumed	584	541
Carriage Outward	683	461
Sales Promotion Expenses	41	43
C.	1,308	1,045
Total (A+B+C)	20,900	19,100

Refer note: 3.8 for Related parties

3.1 INCOME TAXES

Income tax expense for the year reconciled to accounting profit

(₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Profit before tax	24,895	17,069
Income tax rate	25.168%	25.168%
Income tax expenses	6,266	4,299
Effect of permanent adjustments	(5)	41
Others	(13)	8
Income tax expense recognised in statement of profit & loss	6,248	4,348
Net Current tax for the year	6,564	4,530
Deferred Tax	(317)	(173)
Income tax relating to items that will not be classified to Profit & loss	1	(9)

3.2 MOVEMENT OF DEFERRED TAX ASSETS/ LIABILITIES

(₹ in Lakhs)

Movement during the year ended March 31 2026	As at March 31 2025	Recognised in P&L	Recognised in OCI	As at March 31 2026
Property, Plant & Equipment	(990)	292	-	(698)
Other Temporary Differences	28	25	(1)	52
Total	(962)	317	(1)	(646)

Movement during the year ended March 31 2025	As at March 31 2024	Recognised in P&L	Recognised in OCI	As at March 31 2025
Property, Plant & Equipment	(1,177)	187	-	(990)
Other Temporary Differences	33	(14)	9	28
Total	(1,144)	173	9	(962)

3.3 EMPLOYEE BENEFITS

Defined Contribution Plan

The employee provident fund is in the nature of Defined contribution plan. The contribution made to the scheme is considered as expense in the statement of Profit and loss when the employee renders the related service. There is no other obligation other than the contribution payable to employee provident fund.

The total expenses recognised in statement of profit and loss of ₹205 lakhs (2024-25: ₹155 lakhs) represents contribution payable to these plans by the company at rates specified in the rules of the plan.

Notes to Financial Statements

for the year ended March 31, 2026

Defined benefit plans

The company extends defined benefit plan in the form of gratuity to employees. The company makes annual contribution to gratuity fund administered by trustees and managed by Aditya Birla Sun Life Insurance Company Ltd. The Company's liability is determined based on actuarial valuation done at the year end as per projected unit credit method. The plan provides for a lump-sum payment to be vested with employees at retirement, death, while in employment or on termination of employment at amount equivalent to 15 days salary payable for each completed year of service subject to the maximum of ₹20 lakhs. Vesting occurs upon completion of five years of service.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk. Investment risk.

Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

The principal assumptions used for the purposes of the actuarial valuations were as follows

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Discount rate	7.55%	6.67%
Expected rate of salary increase	10.00%(Upto 5 Yrs) & 4% Thereafter	10.00%(Upto 5 Yrs) & 4% Thereafter"
Attrition rate:	5%	5%
Mortality – Indian assured lives mortality (2012-14) ultimate.		

The estimate of future salary increase (which has been set in consultation with the company), take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Financial Statements

for the year ended March 31, 2026

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows: (₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Current Service Cost	52	28
Past Service Cost (Exceptional Item - Refer note: 3.18)	54	
Net interest expense/ (income)	2	5
Component of defined benefit cost recognised in P&L	108	32
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gain)/loss arising from changes in financial assumptions	(50)	31
Actuarial (Gain)/ Losses due to Experience on DBO	47	2
Actuarial (Gain)/Loss arising from changes in financial assumptions due to demographic assumption changes in DBO		1
Return on Plan Assets (Greater) / Less than Discount rate	(2)	
Components of defined benefit costs recognised in other comprehensive income	(5)	34
Total	103	66

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows (₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Present value of defined benefit obligation	550	426
Fair value of plan assets	446	360
Net liability arising from defined benefit obligation (funded)	104	66

Movements in the present value of the defined benefit obligation in the current year were as follows: (₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Opening defined benefit obligation	426	346
Current Service Cost	52	28
Past Service Cost (Exceptional Item - Refer note: 3.18)	54	
Interest Cost	28	25
Benefits paid	(7)	(6)
Actuarial (gain)/loss	(3)	33
Closing defined benefit obligation	550	426

Movements in fair value of plan assets in the current year were as follows: (₹ in Lakhs)

Particulars	Year ended March 31 2026	Year ended March 31 2025
Opening fair value of plan assets	360	220
Interest income of the assets	26	20
Employer contribution	65	126
Benefits payout	(7)	(19)
Actuarial gain/(loss)	2	(1)
Closing defined benefit obligation	446	346

Notes to Financial Statements

for the year ended March 31, 2026

The Company funds the cost of the gratuity expected to be earned on a yearly basis to Aditya Birla Sun Life Insurance Company Limited, which manages the plan assets.

The actual return on plan assets was ₹28 lakhs (2024-25: ₹20 lakhs)

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting year.

Particulars	As at March 31 2026	As at March 31 2025
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would		
• Decrease by (Mar 26: (10.77%); Mar 25: (9.83%))	59	(42)
• Increase by (Mar 26: 11.77%; Mar 25: 11.66%)	(50)	50
If the expected salary is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 26: 10.25%; Mar 25: 11.15%)	56	47
• Decrease by (Mar 26: (9.65%); Mar 25: (9.56%))	(49)	(41)
If the attrition rate is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 26: 1.51%; Mar 25: 1.51%)	11	6
• Decrease by (Mar 26: (1.75%); Mar 25: (1.75%))	(13)	(7)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Funding arrangements

The company has been fully funding the liability through a trust administered by an insurance company. Regular assessment of the increase in liability is made by the insurance company and contributions are being made to maintain the fund. Subject to credit risk of the insurance company & the asset liability mismatch risk of the investments, the Company will be able to meet the past service liability on the valuation date that falls due in the future.

The Company expects to make a contribution of ₹104 lakhs (as at March 31, 2025: ₹65 lakhs) to the defined benefit plans for the next financial year.

Information on the maturity profile of the liabilities:

Particulars	As at March 31 2026	As at March 31 2025
Weighted average duration of the DBO	12.81 years	12.95 years
	₹Lakhs	₹Lakhs
Projected Benefit Obligation	550	426
Accumulated Benefits Obligation	311	233

Notes to Financial Statements

for the year ended March 31, 2026

Maturity Profile (Para 147 C of Ind AS 19):

FUTURE PAYOUTS	Present Value
Year (i)	33
Year (ii)	31
Year (iii)	27
Year (iv)	26
Year (v)	27
Next 5 year pay-outs(6-10yrs)	123
Pay-outs above ten years	280

3.4 EARNINGS PER SHARE

Particulars	Year ended March 31 2026	Year ended March 31 2025
Earnings per share ('EPS')		
Basic earnings per share	16.52	11.26
Diluted earnings per share	16.52	11.26
Face value per share for EPS	10	10
Basic and diluted earnings per share	₹Lakhs	₹Lakhs
Profit for the year attributable to equity shareholders	18,648	12,712
	Nos.	Nos.
Total number of equity shares outstanding at the end of the year	11,28,49,515	11,28,49,515
Weighted average number of equity shares used in the calculation of basic earnings per share	11,28,49,515	11,28,49,515
after adjustment for effect of dilution	11,28,49,515	11,28,49,515

3.5 FINANCIAL INSTRUMENTS:

Capital Management:

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Company. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, buy back shares and cancel them, or issue new shares. The Company finances its operations by a combination of retained profit and bank borrowings.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

Particulars	As at March 31 2026	As at March 31 2025
Debt (long-term and short-term borrowings including current maturities & Lease Liabilities)	17,450	9,040
Equity	69,276	51,134
Debt Equity Ratio	0.25	0.18

Interest rate sensitivity analysis:

The sensitivity analyses for floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Notes to Financial Statements

for the year ended March 31, 2026

However, change in interest rates would have an impact for the liabilities with floating rate as at March 31, 2026

Base Rate	Increase in Base rate	Effect of Change in interest rates		Outstanding as on	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
INR Baserate	50 bps	86	44	17,235	8,797

A negative change in the interest rates would have the opposite effect to the impact in the table above.

Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through treasury division and uses derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by Management. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows.

(₹ in Lakhs)

Assets	Currency	As at March 31 2026			As at March 31 2025		
		Exchange Rate	Amount in Foreign currency (Lakhs)	Amount in ₹(Lakhs)	Exchange Rate	Amount in Foreign currency (Lakhs)	Amount in ₹(Lakhs) Receivables (Unhedged) USD
Receivables (Unhedged)	USD	94.80	36.95	3,502	85.47	28	2,353

Liabilities	Currency	As at March 31 2026			As at March 31 2025	
		Exchange Rate	Amount in Foreign currency (Lakhs)	Amount in ₹(Lakhs)	Amount in Foreign currency (Lakhs)	Amount in ₹(Lakhs)
Payable (trade & other)	USD	94.83	12.5	1,182	5	386
	EURO	108.72	0.2	21		
Total Payables (A)				1,182		386
Hedges by derivative contracts (B)				-		-
Unhedged payables (C=A-B)				1,182		386

Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following table details the Company's sensitivity movement in the unhedged foreign currency exposure:

(₹ in Lakhs)

Currency	1% Strengthening of FC	
	As at March 31 2026	As at March 31 2025
USD	23.2	20
EURO	(0.2)	-
	23.2	20

A depreciation of foreign currencies would have the opposite effect to the impact in the table above.

Notes to Financial Statements

for the year ended March 31, 2026

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company deals only with creditworthy counterparties. The company uses other publicly available financial information and its own trading records to rate its major customers. The company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

There are four customers who each account for more than 10% of receivables in FY 2025 – 26 totaling to ₹24,777 lakhs (FY 2024-25 ₹21,756) leading to concentration of risk.

The Company's maximum exposure in respect of the financial guarantees provided in connection with the loans availed by a fellow subsidiary as at March 31, 2026 is ₹34,657 lakhs. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided

The table below summarizes the maturity profile on remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the discounted cash flows.

(₹ in Lakhs)

As at March 31 2026	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	2,822	14,413	-	17,235
Lease liability	35	180	-	215
Trade Payables	15,843	-	-	15,843
Other current Financial Liabilities	1132	-	-	1,132

The management believes that the probability of any outflow on account of financial guarantees issued by the Company being called on is remote and hence the same is not considered in the above analysis.

(₹ in Lakhs)

As at March 31 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	2,927	5,870	-	8,797
Lease liability	30	161	52	243
Trade Payables	7,996	-	-	7,996
Other current Financial Liabilities	635	-	-	635

Categories of Financial assets and liabilities:

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Financial Assets		
a. Measured at amortized cost:		
Investments (net)	14,796	22
Loans	5,000	-
Cash and cash equivalents	1,545	1,023
Other bank balances & Interest receivable	501	-
Trade Receivables	25,163	23,188
Security Deposit	651	429
Other Financial assets	142	307
b. Mandatorily maintained at fair value through other comprehensive income (FVTOCI)	-	-
c. Mandatorily maintained at fair value through profit or loss (FVTPL)	-	-
	47,798	24,969

Notes to Financial Statements

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Financial Assets		
a. Measured at amortized cost:		
Borrowings	17,235	8,797
Lease Liability	215	243
Trade Payables	15,843	7,996
Other Financial Liabilities	1,763	1,066
b. Mandatorily maintained at fair value through other comprehensive income (FVTOCI)	-	-
c. Mandatorily maintained at fair value through profit or loss (FVTPL)	-	-
	35,056	18,102

(₹ in Lakhs)

Particulars	Year Ended March 31 2026	Year Ended March 31 2025
a) Financial Asset at amortised cost		
Interest Income on bank deposits	165	30
b) Financial asset at FVTOCI	-	-
c) Financial liabilities at amortised cost		
Interest Expense on Borrowings	930	1,249
Net Exchange (Gain)/Loss on Transactions	(610)	(171)
Amortisation of Financial Gurantee(Income)	310	49
De-recognition of investment	-	30

3.6 FAIR VALUE MEASUREMENTS:

- i) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting year:

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

Level 1 : Quoted Price for identical instruments in an active market

Level 2 : Directly or indirectly observable market inputs, Other than level 1 inputs and

Level 3 : Inputs which are not based on observable market data

Calculation of Fair Values:

The fair values of the financial assets and liabilities are defined as 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. Methods and assumptions used to estimate the fair values are consistent with those used.

3.7 MATURITY PROFILE OF FINANCIAL ASSET:

(₹ in Lakhs)

As at March 31 2026	Less than 1 year	Between 2 and 5 years	beyond 5 years	Total Amount
Investments (net)	-	14,796	-	14,796
Loans	-	5000	-	5,000
Cash and cash equivalents	1,545	-	-	1,545
Other bank balances & Interest receivable	501	-	-	501

Notes to Financial Statements

for the year ended March 31, 2026

As at March 31 2026	Less than 1 year	Between 2 and 5 years	beyond 5 years	Total Amount
Trade Receivables	25,163	-	-	25,163
Security Deposit	-	651	-	651
Other Financial assets	132	10	-	142

(₹ in Lakhs)

As at March 31 2025	Less than 1 year	Between 2 and 5 years	beyond 5 years	Total Amount
Investments (net)	-	22	-	22
Loans	-	-	-	-
Cash and cash equivalents	1,023	-	-	1,023
Other bank balances & Interest receivable	-	-	-	-
Trade Receivables	23,188	-	-	23,188
Security Deposit	429	-	-	429
Other Financial assets	307	10	-	317

3.8 RELATED PARTY DISCLOSURE

a) List of parties where control exists

Parent Company

Craftsman Automation Limited

Wholly owned subsidiaries

Suprash Developers Private Limited from 20th December 2025

Srikara Technologies Private Limited from 20th December 2025

b) Companies under common control

Craftsman Europe B.V

Sunbeam Lightweighting Solutions Ltd from 7th October 2024

Craftsman Germany GmbH from 22nd July 2024

Craftsman Fronberg Guss GmbH from 22nd July 2024

Craftsman Fronberg Guss Immobilien GmbH from 1st October 2024

Daerim International Co. Ltd. (Upto 30th June 2024)

DR Axion Co. Ltd. (Upto 30th June 2024)

Key Management Personnel

Mr. SRINIVASAN RAVI, Chairman and Director

Mr. RAVI GAUTHAMRAM, Non-Executive Director

Mr.KIM JONG SEOB, Managing Director & CEO

Mrs. VIJAYA SAMPATH, Independent Director

Mr. T S V RAJAGOPAL, Independent Director

Mr. C.B.CHANDRASEKAR, Chief Financial Officer

Mr. SHAINSHAD ADUVANNI, Company secretary upto 8th October 2024

Ms. CHINNUSAMY BARANI , Company secretary from 18th October 2024

Notes to Financial Statements

for the year ended March 31, 2026

c) Related Party Transactions – Summary:

(₹ in Lakhs)

Particulars	Year Ended March 31 2026	Year Ended March 31 2025
Purchase of Goods & Services		
Craftsman Automation Limited	7,056	14,026
DR Axion Co. Ltd. (Upto 30 th June 2024)	-	202
Sunbeam Lightweighting Solutions Ltd	-	9
Suprash Developers Private Limited	79	
Srikara Technologies Private Limited	77	
Sale of Goods & Services		
Craftsman Automation Limited	760	14
Sunbeam Lightweighting Solutions Ltd	6	-
Loans and Advances given		
Sunbeam Lightweighting Solutions Ltd		
Loans	5,000	-
Capital Advance	2,000	-
Interest Income accrued on Loan	350	-
Reimbursement of Expenditure from		
Sunbeam Lightweighting Solutions Ltd	-	177
Remuneration to key management personnel		
Mr.Kim Jong Seob	148	116
Sitting Fee & Commission		
Non-Executive Directors	27	14

d) Balances of Related Parties

(₹ in Lakhs)

Particulars	Year Ended March 31 2026	Year Ended March 31 2025
Trade Receivable		
Craftsman Automation Limited	-	-
Loans /Advances/Other Receivable		
Sunbeam Lightweighting Solutions Ltd	7,469	306
Trade Payable		
Craftsman Automation Limited	738	515
DR Axion Co. Ltd. (Upto 30 th June 2024)	-	
Suprash Developers Private Limited	79	-
Srikara Technologies Private Limited	77	-
Remuneration payable		
Mr.Kim Jong Seob	8	8
Financial Guarantee Obligation (Sunbeam Lightweighting Solutions Ltd)	631	431

3.9 CONTINGENCIES & COMMITMENT

a) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. There is no contingent liability as at balance sheet of current and previous year.

Notes to Financial Statements

for the year ended March 31, 2026

b) Commitment on Capital Account not provided as on 31.03.2026: ₹ 10,792 lakhs; 31.03.2025: ₹ 224 lakhs.

3.10 NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31 2026			Particulars of Repayment		As at March 31 2025		
	Non-Current	Current Maturity	Total	Instalments	Amount/Inst nos.	Non-Current	Current Maturity	Total
HDFC Term Loan -1	-	625	625	Quarterly	312.50/24	626	1,249	1,875
HDFC Term Loan-3	1,485	848	2,333	Quarterly	216.08/16	2,324	848	3,172
Axis Term Loan-5	581	831	1,412	Quarterly	208.33/24	2,920	830	3,750
Bajaj Finance Term Loan	11,971	518	12,489	Quarterly	520.83/24			
Axis Term Loan-7	377	-	377	Quarterly	782.61/23			
Total	14,413	2,822	17,236			5,870	2,927	8,797

The balances mentioned above are at amortized cost.

Secured Term Loan of Rs 75 crores from HDFC (Term Loan -1) Bank is repayable in 84 months (residual take over) initial tenor was 96 months, Start date will be 17 september 2020 and end date will be 17th september 2026 with 24 equal quarterly repayment and in the respect of security; Second paripassu charge on the current assets of the company with the Axis bank, Movable fixed assets & Plant and machinery- Secured by first charge on paripassu basis on entire fixed assets of the company (present and future) along with the Axis bank and Immovable fixed asset of company.

Secured Term Loan of ₹3.77 crores was obtained from Axis Bank (Term Loan -7) (sanctioned amount ₹180 crores), which is repayable in 23 equal quarterly instalments of ₹ 7.83 crores after a moratorium period of 15 months and in the respect of security First Pari Passu Charge on the entire Movable Fixed Assets (Present and Future) of the company. Loan has been obtained for the purpose of building & obtaining plant and machinery of the project.

Secured Term Loan of 18.69 crores from HDFC Bank (Term Loan -3) and which is repayable in 16 equal quarterly repayment, Start date will be 25 Jan 2025 and end date will be 23rd October 2028 and in the respect of security; Second paripassu charge on the current assets of the company with the Axis bank, Movable fixed assets & Plant and machinery- Secured by first charge on paripassu basis on entire fixed assets of the company (present and future) along with the Axis bank and Immovable fixed asset of company.

Secured Term Loan of 15.24 crores from HDFC Bank (Term Loan -3) and which is repayable in 16 equal quarterly repayment, Start date will be 25 Jan 2025 and end date will be 23rd October 2028 and in the respect of security; Second paripassu charge on the current assets of the company with the Axis bank, Movable fixed assets & Plant and machinery- Secured by first charge on paripassu basis on entire fixed assets of the company (present and future) along with the Axis bank and Immovable fixed asset of company.

Secured Term Loan of ₹50 Crores (₹44.29 Cores availed during FY 2021-22 and balance of ₹5.71 crores availed on 05-May-2022) availed from AXIS Bank (Term Loan -5) and which is repayable with 24 equal quarterly repayment starting from 30th Nov 2023 and end date will be 31st Aug 2029 and in the respect of security; First paripassu charge on entire Movable fixed assets and immovable fixed assets (Existing and future) and second paripassu on the the current assets of the company with the HDFC bank.

Secured Term Loan of ₹125 crores was obtained from Bajaj Finance, at a floating Rate of Interest which is repayable in 24 equal quarterly instalments of ₹5.21 crores per quarter starting from March 2027, i.e., after a moratorium period of 12 months and in the respect of security First Pari Passu Charge on Present and Future Movable Fixed Assets of the Company. The loan was availed as a general purpose corporate loan.

Interest rates on the term loans are floating. They range between 7.2 % and 8.75 %.

Notes to Financial Statements

for the year ended March 31, 2026

3.11 THE INFORMATION REQUIRED TO BE DISCLOSED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Particulars	As at March 31 2026	As at March 31 2025
The principal amounts due to Micro and Small Suppliers under this Act*	1,221	1,137
Interest accrued and due to suppliers on the above amount	Nil	Nil
Interest paid to suppliers under this Act (Section 16)	Nil	Nil
Interest due and payable for the delay (for payment during the year beyond due date)	Nil	Nil
Payment made to suppliers (other than interest) beyond the appointed date, during the year	Nil	Nil
Interest accrued and remaining unpaid at the end of year to suppliers under this Act	Nil	Nil
Interest due and payable to suppliers under this Act for payment already made	Nil	Nil

* including Capital creditors

3.12 SEGMENT REPORTING

The Company is engaged in the activities related to manufacture of Automotive Component. The Chief Operating Decision Maker (Board of Directors) review the operating results as a whole. For purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single business segment, namely Automotive Component. All the manufacturing facilities are located in India. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

3.13 CSR EXPENDITURE

Particulars	As at March 31 2026	As at March 31 2025
(a) Gross amount required to be spent by the company during the year	290	178
(b) Amount spent during the year on :		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	103	183
(c) The amount of shortfall / (excess Spent) at the end of the year out of the amount required to be spent by the Company during the year;	182	(5)
(d) total of previous years shortfall	-	-
(e) reason for shortfall*	-	-
(f) nature of CSR activities	Welfare Activites	Welfare Activites
(g) 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,	-	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual	-	-

Pursuant to the requirements of Section 135 of the Companies Act, 2013, the Company is required to spend ₹285 Lakhs (after adjusting previous year excess spent ₹ 5 Lakhs) towards CSR activities for the year ended March 31, 2026. Against this, the Company has spent ₹103 Lakhs during the year, resulting in an unspent amount of ₹182 Lakhs as at March 31, 2026.

The unspent amount pertains to ongoing CSR projects approved by the Board and is pending utilisation as at the reporting date. The shortfall in spending is primarily due to the timing of implementation of such ongoing projects.

In accordance with Section 135(6) of the Companies Act, 2013, the aforesaid unspent amount will be transferred to a separate "Unspent CSR Account" (escrow account) within 30 days from the end of the financial year, and shall be utilised for the said ongoing projects within a period of three financial years from the date of such transfer.

Notes to Financial Statements

for the year ended March 31, 2026

3.14 DISCLOSURE UNDER IND AS 116 – AS LESSEE

Future cash flows

Maturity profile of lease liability	As at March 31 2026	As at March 31 2025
Not later than 1 year	49	47
Later than 1 year but not later than 5 years	212	205
Later than 5 years	-	53
Total	261	305

Amounts recognized in statement of profit and loss

Particulars	Year Ended March 31 2026	Year Ended March 31 2025
1 Depreciation Charge for Right-of-Use Asset - Land	39	24
2 Interest Expense on Lease Liability	19	11
3 Expense relating to Short Term Leases	177	20
4 Expense relating to Low Value Leases	-	-
5 Expense relating to Variable Lease Payments	-	-
6 Income from Subleasing of Right-of-Use Assets	-	-
7 Cash Outflow for Leases (incl. short term lease)	224	48
8 Additions to Right-of-Use Assets	-	159
9 Gain/Loss arising from Sale and Leaseback transactions	-	-
10 Carrying amount of Right-of-Use Assets	193	232

3.15 RATIO ANALYSIS

ANALYTICAL RATIO ANALYSIS FOR THE FY-2025-26

Particulars	Numerator	Denominator	Tuesday, 31 March 2026	Monday, 31 March 2025	% of Variance	Reasons for Variance
(a) Current Ratio	Current Assets	Current liabilities	2.25	2.82	-20%	
(b) Debt-Equity Ratio	Total Borrowings	Shareholder's Equity	0.29	0.28	2%	
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	4.71	2.75	71%	Increase in borrowings
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	31%	28%	10%	
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	5.48	4.68	17%	
(f) Trade Receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	6.70	6.38	5%	
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	8.99	7.80	15%	
(h) Net working capital turnover ratio	Net Sales	Working Capital	5.68	4.76	19%	
(i) Net profit ratio	Net Profit	Net Sales	12%	10%	18%	
(j) Return on Capital employed	EBIT	Capital Employed	30%	30%	-1%	

Notes to Financial Statements

for the year ended March 31, 2026

3.16 QUARTERLY RETURNS FILED WITH BANKS AND FINANCIAL INSTITUTIONS:

The quarterly returns or statements of current assets filed by the company with the banks or financial institutions are in agreement with the books of accounts.

3.17 The company issued corporate guarantees in favour of the banks and financial institutions on behalf of Sunbeam Light weighting Solutions Ltd, a fellow subsidiary totalling to a sum of ₹17,552 lakhs in FY 2025-26 and ₹19,574 lakhs in FY 2024-25. The guarantee has been issued for no consideration. Company has recognized the guarantee liability at fair value of ₹510 in FY 2025-26 lakhs and ₹ 480 lakhs in FY 2024-25 as per the requirements of Ind AS 109, which is shown under financial liability with the corresponding amount charged to retained earnings under other equity. This financial liability would be amortized to other income over the tenure of the guarantee. (Refer Note: 3.8)

3.18 On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and accounted the incremental impact of these changes, consistent with the Labour Codes, draft rules, FAQs and on the basis of the best information available. Considering the regulatory-driven and non-recurring nature, the impact has been disclosed under Exceptional Items in the financial results for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

3.19 OTHER STATUTORY INFORMATION

Disclosure Requirements as notified by MCA pursuant to amended Schedule III

a) Loan, Advances & Investments made or received-Rule 11(e)

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) 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;

The Company has not received any funds 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;

b) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

c) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

d) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

e) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

f) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

g) The Board of Directors on 11th March 2026 have approved a Composite Scheme of Arrangement. The scheme envisages Amalgamation of Aluminium Business undertaking from DR Axion India Limited to Sunbeam Lightweighting Solutions Limited, subject to receipt of approval from National Company Law Tribunal. The appointed date being considered in the proposed scheme is 1st April 2026. As at March 31, 2026, the approval from the NCLT is awaited.

Notes to Financial Statements

for the year ended March 31, 2026

The scheme also envisages Amalgamation of Suprash Developers Private Limited (Subsidiary) with DR Axion India Limited and also Srikara Technologies Private Limited (Step-Down Subsidiary) with DR Axion India Limited, as both the Subsidiary and Step-down subsidiary are engaged in holding land parcels which have been leased to DR Axion India Limited for the development and expansion of its aluminium products manufacturing facilities, subject to receipt of approval from National Company Law Tribunal. The appointed date being considered in the proposed scheme is 19th December 2025. As at March 31, 2026, the approval from the NCLT is awaited. Accordingly, the Scheme provides for the consolidation of the aluminium business of DR Axion India Limited and related land and infrastructure assets into Sunbeam Lightweighting Solutions Limited, which, upon implementation of the Scheme, will function as the principal operating and asset-owning platform for the aluminium business. The consolidation is also expected to simplify the corporate structure and improve managerial focus and operational efficiency. The company has nothing to report on the effect of Scheme of Arrangement.

- h) The Company has nothing to report on Layers of Investment.
- i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- j) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- k) In the opinion of the Board of Directors and to the best of their knowledge and belief the value on realisation of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

3.20 Previous year figures have been regrouped to confirm to the current year's classification to the extent feasible.

3.22 Figures in brackets indicate deductions.

The financial statements were approved for issue by the board of directors on 25th April 2026.

The accompanying notes form an integral part of the financial statement

As per our report of even date attached

For **PKF SRIDHAR & SANTHANAM LLP**

Chartered Accountants

Firm Registration No. 0039905/S200018

S.Rajeshwari

Partner

Membership No. 215565

Place : Coimbatore

Date : April 25, 2026

For and on behalf of the Board

Ravi Gauthamram

Non - Executive Director

DIN: 06789004

Place: Coimbatore

Date : April 25, 2026

Chinnusamy Barani

Company Secretary

M.No.71443

Place : Coimbatore

Date : April 25, 2026

Kim Jong Seob

Managing Director & CEO

DIN : 07382589

Place: Tiruvallur

Date : April 25, 2026

C.B. Chandrasekar

Chief Financial Officer

Place : Coimbatore

Date : April 25, 2026



DR Axion India Limited

Registered Office

No.7 Othappai Village
Uthukkottai Taluk
Thiruvallur 602 023
Tamil Nadu, India