KAY JAY FORGINGS LIMITED

Forging Strength.
Building Tomorrow.

ANNUAL REPORT

2025 - 26

STRENGTH
IN EVERY FORGE.

INTEGRITY
IN EVERY COMMITMENT.

GROWTH
FOR A BETTER TOMORROW.

STRENGTH
IN EVERY FORGE

INNOVATION
IN EVERY STEP

INTEGRITY
IN EVERY COMMITMENT

GROWTH
FOR A BETTER TOMORROW

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Gopal Krishan Kothari
Chairman and Managing Director

Mr. Amit Kothari
Executive Director

Mr. Naveen Behl
Whole-time Director

Mr. Jatender Kumar Mehta
Independent Director

Mr. Pankaj Periwal
Independent Director

Ms. Mohina
Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Ashok Bansal
Chief Financial Officer

Mr. Amit Verma
Compliance Office and Company Secretary

STATUTORY AUDITOR

M/s. Goyal Sanjay and Associates
Chartered Accountants
86/2, Ist Floor, Govt. College Road, Civil Lines
Ludhiana, Punjab, India -141001
E-mail: gsa1990@gmail.com

SECRETARIAL AUDITOR

M/s. B.K. Gupta & Associates
Company Secretaries
SCF-47, Rishi Nagar Market, Near Abiss
Opp. BSNL, Ludhiana, Punjab, India - 141001
Email: bkg.majestic@gmail.com

COST AUDITOR

Mr. Gurjant Singh
Cost Accountant
1248, Urban Estate, Phase-1
Dugri, Ludhiana, Punjab, India - 141013
Email: cmagurjant@rediffmail.com

INTERNAL AUDITOR

Mr. Keshav Kumar
House No. 8556, Street No.8, Near Subhash Nagar,
Ludhiana, Punjab, India - 141007
Email: taxation@kayjayforgings.com

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Service Pvt Ltd.
Office No.: S6-2, 6th Floor, Pinnacle Business
Park, Mahakali Caves Road, Andheri East,
Mumbai, India - 400093.
Email: info@bigshareonline.com

REGISTERED OFFICE

A-8, Maya Puri Industrial Area Phase-1, New
Delhi, New Delhi, India - 110064
Email:cs.ldh@kayjayforgings.com

CORPORATE OFFICE

E-2, Focal Point, Focal Point, Ludhiana,
Punjab, India- 141010
Email: cs.ldh@kayjayforgings.com

WEBSITE

www.kayjayforgings.com/

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NOTICE OF 43RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the **43rd (Forty-Third)** Annual General Meeting ("**AGM**") of the Members of Kay Jay Forgings Limited (the "**Company**") will be held on **Tuesday, August 11, 2026,** at 11.00 A.M. at Registered Office of the company situated at A-8, Maya Puri, Industrial Area, Phase-1, New Delhi, Delhi, India, 110064 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2026 and the report of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** the audited financial statements of the Company for the year ended March 31, 2026 containing the Balance Sheet as at that date, the Statement of Profit & Loss, statement of changes in equity and the Cash Flow Statement for the year ended on that date together with the Notes and the Reports of Auditors and Board of Directors Report along with its annexures thereon be and are hereby approved and adopted."

2. To appoint Mr. Gopal Krishan Kothari (DIN: 00026734), who retires by rotation, as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Gopal Krishan Kothari (DIN: 00026734), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. To alter the Articles of Association of the Company and in this regard, to consider and if thought fit, to pass the following resolutions as **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 5, 14 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, applicable circulars, guidelines, notifications and other regulatory requirements, as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force, if any), and subject to the necessary approvals, consents, permissions and sanctions required, if any, by the Registrar of Companies, and / or any other appropriate authority, the consent of Members of the Company be and is hereby accorded for alteration of the Articles of Association (**"AoA"**) of the Company as under:

I. The following additional Article shall be inserted after Article I.1(v):

*(va) **"Lock-in Period"** shall mean in case of an initial public offering, the period for which the entire pre-listing capital of the Company is required to be locked-in, in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.*

II. The following additional Article shall be inserted after Article 8:

8A. Lock-in of Pledged Shares

(a) Notwithstanding anything contained in these Articles, where any shares held by persons other than the Promoters are pledged or encumbered and are required to be locked-in under any Applicable Law, the Company shall not register any transfer, invocation, enforcement, release or further encumbrance on such shares in violation of such lock-in.

(b) 1. Notwithstanding anything to the contrary contained in these Articles, where any Equity Shares held by persons other than promoters of the Company are required to be locked-in and such lock-in cannot be created or recorded by Depository for any reason whatsoever including where such Equity Shares are (i) subject to pledge; or (ii) under "freeze balance" or "safe balance", or (iii) any other form of encumbrance as may be recorded with the Depositories, on a day prior to the commencement of the lock-in period, the Company shall have the power to issue instructions to the Depository, directing them to record such Equity Shares as "non-transferable" for the duration of the applicable lock-in period. The aforementioned Equity Shares shall be treated as locked-in for the Lock-in Period as specified under the relevant laws. Further in terms of relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 during which time neither the shareholder, nor any pledgor or pledgee, shall sell, transfer or otherwise deal in such shares or securities in any manner whatsoever, and any shares or securities issued or allotted by way of bonus, rights or otherwise in respect thereof shall also remain subject to the same restrictions for the remaining lock in period and the Company shall issue necessary intimations to the concerned lenders or pledgees, with the Board of Directors being authorised to do all acts and undertake necessary actions as may be required to implement this clause and to remove such non-transferable status on the shares or other securities, upon expiry of the lock in period.

2. In the event of invocation of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so transferred or received by the pledgee upon such invocation shall continue to remain locked-in in the account of the pledgee for the balance Lock-in Period.

3. In the event of release of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so released shall continue to remain locked-in in the account of the pledgor for the balance Lock-in Period.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters, and things and to execute all such deeds, documents, and writing as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty, or doubt that may arise in this regard."

4. To ratify the remuneration of Cost Auditor of the Company for the financial year ending March 31, 2027 and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, if any), the Members of the Company be and is hereby ratifies the remuneration not exceeding **₹ 60,000/- (Rupees Sixty Thousand only)** plus applicable tax and out of expenses incurred in connection with the cost audit, payable to Mr. Gurjant Singh, Cost Accountants, Ludhiana (M. No. 22514 & Firm Registration No. 100522) who has been appointed as Cost Auditor by the Board of Directors of the Company on April 06, 2026 to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to file necessary forms/returns with the Registrar of Companies and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the above resolution."

By Order of the Board of Directors
For **KAY JAY FORGINGS LIMITED**

(Amit Verma)
Company Secretary & Compliance Officer
Membership No. A75038

Date: July 17, 2026
Place: Ludhiana

Note(s):

1. The Explanatory Statement pursuant to Section 102 the Companies Act, 2013 setting out material facts in respect of special business to be transacted at the AGM under item Nos 3 & 4 is accompanied in "**Annexure - A**" to the Notice.

2. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need to be a member of the company. A person can act as a proxy on behalf of a maximum of 50 members and holding in aggregate not more than 10% of the total share capital of the company. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other person or shareholders.

   The instrument(s) appointing the proxy, if any, shall be deposited at the Registered Office of the Company at A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi, India, 110064 not less than Forty-Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid.

3. In terms of the provisions of Section 152 of the Act, Mr. Gopal Krishan Kothari, Directors of the Company, retire by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company commend their respective appointment.

   Mr. Amit Kothari, Executive Director of the Company and Ms. Mannat Kothari, Key Managerial Personnel, are interested in the Ordinary Resolution set out at Item Nos. 2, of this Notice with regard to the appointment. Details of Directors retiring by rotation at this Meeting are provided in the "**Annexure - B**" to this Notice.

4. Route Map showing directions to reach the venue of the AGM together with a prominent landmark, pursuant to the provisions of Secretarial Standard-2 issued by Institute of Company Secretaries of India and Rule 18(3)(ix) of the Companies (Management and Administration) Rules, 2014 on General Meetings and the Companies (Management and Administration) Rules, 2014, is annexed to this Notice as "**Annexure - C**".

5. The copy of relevant documents can be inspected at the registered office of the company on any working day between 10:00 A.M. To 01:00 P.M.

6. Members are requested to notify change in address, if any, to the company at its registered Office quoting their folio number.

7. Only members carrying the attendance slips or the holders of valid proxies registered with the Company will be permitted to attend the meeting.

Annexure -A

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.03

SEBI, vide Circular No. HO/49/(17)2026-CFD-POD2/I/8965/2026 dated April 8, 2026 ("**SEBI Circular**"), pursuant to amendments to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), has prescribed a framework for implementation of the mechanism relating to lock-in of pledged shares and has, inter alia, required issuers to incorporate suitable enabling provisions in their Articles of Association ("**AoA**").

Accordingly, it is proposed to alter the AoA of the Company by inserting a definition of "Lock-in Period" and suitable provisions relating to treatment of pledged shares that are subject to lock-in requirements under the ICDR Regulations, recording of such shares as "non-transferable" during the applicable lock-in period where lock-in cannot be created by the Depositories, continuation of lock-in upon invocation or release of pledge for the balance lock-in period, and authorisation of the Board of Directors to undertake necessary actions for implementation thereof.

The proposed alteration is regulatory in nature and is being undertaken to ensure compliance with the ICDR Regulations, the SEBI Circular and other applicable regulatory requirements.

A copy of the existing AoA and the draft amended AoA of the Company is available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the General Meeting and shall also be available for inspection during the Meeting.

The Board of Directors recommends the Special Resolution set out at Item No. 3 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in this Resolution, except to the extent of their shareholding, if any, in the Company.

ITEM NO.04

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of Mr. Gurjant Singh, Cost Accountants, Ludhiana (M. No. 22514 & Firm Registration No. 100522), as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2027 at remuneration as specified in the Resolution.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company.

Your Board recommends the passing of Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members in the interest of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially, or otherwise, in this Resolution.

By Order of the Board of Directors
For **KAY JAY FORGINGS LIMITED**

(Amit Verma)
Company Secretary & Compliance Officer
Membership No. A75038

Date: July 17, 2026
Place: Ludhiana

Annexure – B

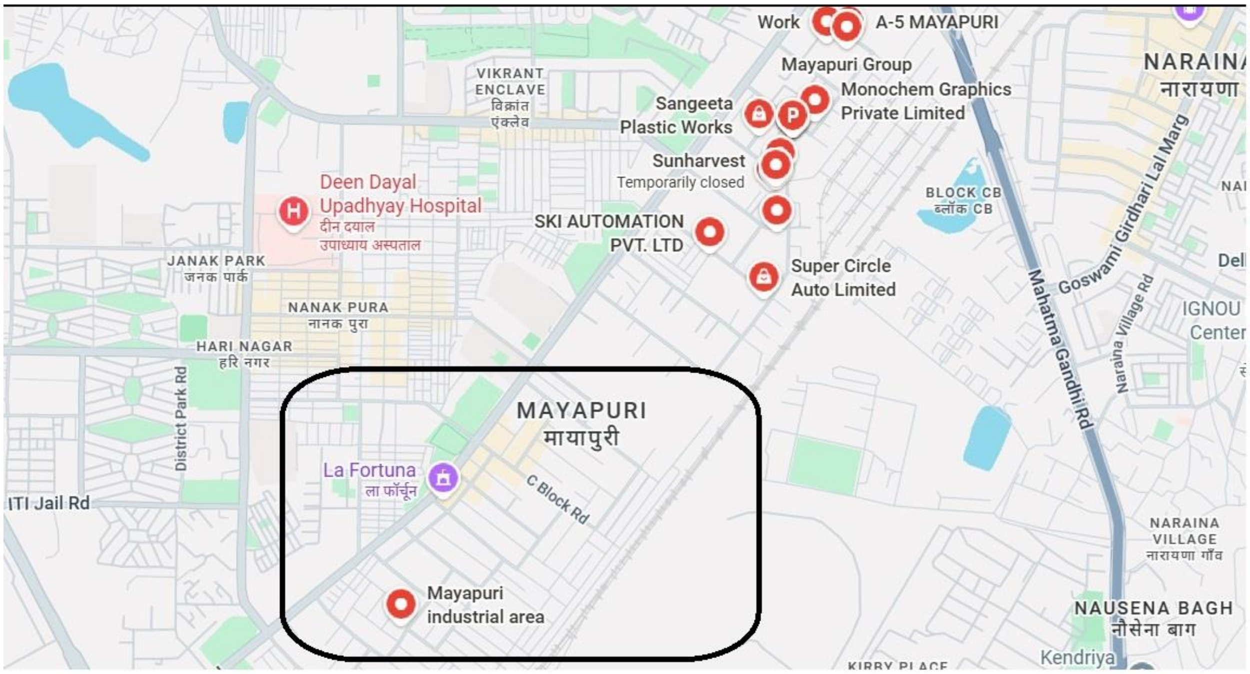
Profile of Director(s) recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard 2 issued by ICSI.

Name of Director	:	Gopal Krishan Kothari
DIN	:	00026734
Date of Birth	:	October 24, 1954
Age	:	71
Date of first appointment on Board	:	April 4, 1988
Brief profile, experience, expertise and qualification	:	He is responsible for formulating and implementing our long-term strategic plans and has been pivotal in steering our growth and development. He holds a bachelor's degree in commerce from the University of Rajasthan. He has over 40 years of experience in the automotive sector with our Company.
Number of meetings of the Board attended during the year	:	12
Terms and conditions of appointment or re-appointment	:	Gopal Krishan Kothari is appointed as Chairman and Managing Director for a period of three years with effect from August 16, 2025. In terms of Section 152(6) of the Companies Act, 2013, he is liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any) (FY 2025-26)	:	₹ 13.52 million
Remuneration proposed to be paid	:	As per existing approved terms of appointment.
Directorships of other Boards as on March 31, 2026	:	i. Gaurishakti Textile Trading Private Limited; ii. Oswal Infratech Private Limited; and iii. Vardhman Amrante Private Limited.
Committee Positions held in Board as on March 31, 2026	:	NIL
Membership / Chairmanship of Committees of other Board as on March 31, 2026	:	NIL
Listed entities from which the person has resigned in the past three years	:	NIL
Shareholding in the company as on March 31, 2026	:	Holding 40,011,520 equity shares of ₹ 5/- each
Relationship with other directors inter se, manager and other Key Managerial Personnel of the Company	:	i. Father of Mr. Amit Kothari, Executive Director; and ii. Father-in-law of Ms. Mannat Kothari, Key Managerial Personnel

Annexure - C

ROUTE MAP

"As per Secretarial Standard 2 (SS-2) route-map to the venue of the AGM is annexed for the convenience of the members"



Form MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U74899DL1983PLC029298
Name of the company	KAY JAY FORGINGS LIMITED
Registered office	A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi, India, 110064

Name of the member(s)		
Registered address		
Email ID	Folio No. / Client ID	DP ID

I/We, being the member (s) of …………………… shares of the above named company, hereby appoint

1.	Name		Email ID	
	Address		Signature	

Or failing him

2.	Name		Email ID	
	Address		Signature	

Or failing him

3.	Name		Email ID	
	Address		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on the **Tuesday, August 11, 2026** at 11:00 A.M. at registered office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon;
2. To appoint Mr. Gopal Krishan Kothari (DIN: 00026734), who retires by rotation, as a Director;
3. To alter the Articles of Association of the Company; and
4. To ratify the remuneration of Cost Auditor of the company

Affix Revenue Stamp

Signed this ________________

Signature of shareholder　　　　　　　　　　　　Signature of Proxy holder (s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

ATTENDANCE SLIP

ANNUAL GENERAL MEETING

Date:		Time:	
Place:			

Folio No. / DP ID Client ID No.	
Name of First named Member/Proxy/ Authorised Representative	
Name of Joint Member(s), if any:	
No. of Shares held	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at an Annual General Meeting of the Company being held on **Tuesday, August 11 , 2026** at 11:00 AM at registered office of the company.

....
Signature of First holder/Proxy/Authorised Representative

Signature of 1st Joint holder

Signature of 2nd Joint holder

Note(s):

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the Meeting Venue.

2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

BOARD'S REPORT

(Pursuant to section 134(3) read with rule 8 of the Companies (Accounts), Rules, 2014 under the Companies Act, 2013)

To,

The Members,
KAY JAY FORGINGS LIMITED
(Formerly known as Kay Jay Forgings Private Limited)
A-8, Maya Puri, Industrial Area, Phase-1,
New Delhi, Delhi, India, 110064

The Directors are pleased to present the 43rd (Forty- Third) Annual Report of Kay Jay Forgings Limited (**"the Company"**) along with the audited financial statement for the financial year ended March 31, 2026.

1. FINANCIAL SUMMARY:

The Audited Financial Statements for the Financial Year ended March 31, 2026, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as **"IND-AS"**) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures with regard to IND-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the financial year under review as compared to the previous financial year is summarized below:

In ₹ Millions (except per share data)

PARTICULARS	2025-26 Current Year	2024-25 Previous Year
Revenue from operations	9,217.58	7,504.64
Other Income	14.78	17.47
Total Income	**9,232.36**	**7,522.11**
Profit before Finance Cost, Depreciation, and Tax	820.37	732.44
Finance Cost	100.19	121.41
Depreciation	231.48	229.96
Profit before Tax (PBT)	**488.70**	**381.07**
Provision for Tax – Current	119.00	95.00
- Deferred Tax (Net of Adjustment)	(0.48)	(4.08)
- Total tax expenses	118.59	90.92
Profit after tax (PAT)	**370.11**	**290.15**

Other Comprehensive Income	(1.77)	(3.16)
Total Comprehensive Income for the period	**368.35**	**286.99**
Earnings per equity share (in ₹)		
- Basic	8.05	6.31
- Diluted	8.05	6.31

Note:

- *Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.*

2. STATE OF COMPANY'S AFFAIRS:

During the period under review, the Company earned profit before tax of ₹ 488.70 Million as against ₹ 381.07 Million in the previous year. After providing provision for current tax of ₹ 119.00 Million as against Previous Year ₹ 95.00 Million, deferred tax of ₹ (0.48) Million as against Previous Year ₹ (4.08) Millions, the net profit from operations after comprehensive income worked out to ₹368.35 Million as against to ₹ 286.99 Million in the previous year.

Further, it is expected that your company will able to achieve better results during the current year of operations.

3. CHANGE IN NATURE OF BUSINESS:

No change occurred in the nature of the business carried on by the Company during the period under review. Currently, the Company is engaged in the business of manufacturing of engineering goods i.e. forging, auto parts, machined and precision sheet metal components for the Automotive & Non-Automotive Sector.

4. CAPITAL STRUCTURE:

a) <u>AUTHORISED SHARE CAPITAL:</u>

During the period under review, the members of the company in its Meeting held on August 16, 2025 had approved to increase in authorised equity share capital of the Company from the existing ₹ 1,55,00,000/- (Rupees One Crore Fifty Five Lakh only) divided into 15,50,000 Equity Shares of ₹ 10/- each to ₹ 40,00,00,000/- (Rupees Forty Crore only) divided into 4,00,00,000 Equity Shares of ₹ 10/- each ranking *pari passu* in all respects with the existing equity shares of the Company.

b) <u>SUB-DIVISION OF EQUITY SHARES:</u>

During the period under review, the members of the company in its Meeting held on August 16, 2025 had approved the sub-division of equity shares of the Company, such that 1 (One) equity share having face value of ₹ 10/- each, fully paid-up, be sub-divided into 2 (Two) equity shares having face value of ₹ 5/- each, fully paid-up, ranking *pari-passu* in all respects with the existing equity shares of the Company. Accordingly, all the Authorised, Issued, Subscribed and Paid-up equity capital of face value of ₹ 10/- each shall stand sub-divided into 2 (Two) equity shares of face value of ₹ 5/- each, fully paid- up.

c) <u>BONUS ISSUE:</u>

During the period under review, the members of the company in its Meeting held on August 16, 2025 had approved to issue bonus equity shares to the existing equity shareholders of the Company in the ratio of 15:1. Accordingly, the

Company had issue bonus equity shares to the existing members of the Company, the paid-up equity capital of the Company after the allotment of bonus shares increased to ₹ 22,98,76,800/- (Rupees Twenty Two Crores Ninety Eight Lakh Seventy Six Thousand Eight Hundred Only).

Accordingly, the authorised share capital of the Company as on March 31, 2026 is ₹ 40,00,00,000/- (Rupees Forty Crore only) divided into 8,00,00,000 equity shares of ₹ 5/- each and the paid-up share capital of the company as on March 31, 2026 is ₹ 22,98,76,800/- (Rupees Twenty Two Crore Ninety Eight Lakh Seventy Six Thousand Eight Hundred only) divided into 4,59,75,360 equity shares of ₹ 5/- each.

The International Securities Identification Number ("**ISIN**") of the Company's equity shares was changed pursuant to the sub-division of equity shares. The current ISIN of the Company's equity shares is INE1I8V01026. As on March 31, 2026, the entire paid-up share capital of the Company was held in dematerialized form.

5. CHANGE IN NAME OF THE COMPANY:

During the period under review, there is no change in the name of the Company.

6. DIVIDEND:

During the period under review, the Board has not recommended any dividend for the financial year ended March 31, 2026.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the Company has formulated Dividend Distribution Policy taking into account the parameters prescribed in the said Regulations. The Dividend Distribution Policy is available on Company's website at https://www.kayjayforgings.com/corporate-governance-policies.php.

7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF"):

Since, no dividend was declared and paid by the Company, the provisions of Section 125(2) of the Companies Act, 2013 are not attracted relating to transfer of unclaimed dividend to Investor Education and Protection Fund.

8. TRANSFER TO ANY RESERVES:

During the period under review, the Company does not propose to transfer any sum to any reserves.

9. REGISTRAR AND SHARE TRANSFER AGENT:

During the period under review, Bigshare Services Private Limited was the Registrar and Transfer Agent of the Company.

10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any subsidiary / material subsidiary, associate or joint venture Company.

11. DIRECTORS:

None of the Director of the Company is disqualified from being appointed as Director in term of Section 164(1) and (2) of the Companies Act, 2013 and is not debarred from holding the office of Director by virtue of any order of any other authority.

a) **Liable to retire by rotation:** In accordance with the provisions of the Articles of Association of the Company, Mr. Gopal Krishan Kothari, Chairman & Managing Director of the Company, retires by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommended his appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

b) **Change in Board of Directors:** During the year under review,

i. Mr. Gopal Krishan Kothari was appointed as Chairman & Managing Director on the Board of the Company for a term of 3 (three) years with effect from August 16, 2025. His appointment was further approved by the Members of the Company in the Annual General Meeting held on August 16, 2025.

ii. Mr. Naveen Behl was appointed as Whole-time Director on the Board of the Company for a term of 3 (three) years with effect from August 16, 2025. His appointment was further approved by the Members of the Company in the Annual General Meeting held on August 16, 2025.

iii. Mr. Jatender Kumar Mehta was appointed as Additional Director (Non-Executive & Independent) on the Board of the Company for a term of 5 (Five) years with effect from April 29, 2025. His appointment was further approved by the Members of the Company in the Annual General Meeting held on August 16, 2025.

iv. Mr. Pankaj Periwal, who was appointed as an Additional Director (Non-Executive & Independent) of the Company during the financial year ended March 31, 2025. His appointment was further approved by the Members of the Company in the Annual General Meeting held on August 16, 2025.

v. Ms. Mohina, who was appointed as an Additional Director (Non-Executive & Independent) of the Company during the financial year ended March 31, 2025. Her appointment was further approved by the Members of the Company in the Annual General Meeting held on August 16, 2025.

c) **Cessation / Resignation of Director:**

During the period under review, there has been no cessation or resignation of any director of the company.

d) **Declaration by Independent Directors:**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013, so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules thereof.

Your Board confirms that in its opinion the Independent Directors possess the requisite integrity, experience, expertise, proficiency and qualifications in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

12. FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Independent Directors are regularly informed during meetings of the Board and Committees on the business strategy, business activities, manufacturing operations and regulatory updates. The Directors when they are appointed are given a detailed orientation on the Company, industry, strategy, policies and Code of Conduct, regulatory matters, business, financial matters, human resource matters, and Corporate Social Responsibility initiatives of the Company. The detail of familiarization programs provided to the Directors of the Company is available on the website of the company:
https://www.kayjayforgings.com/regulation-46-disclosures-new.php

13. KEY MANAGERIAL PERSONNEL ("KMP"):

During the period under review, In compliance with the provisions of Section 203 of the Companies Act, 2013, Mr. Ashok Bansal was appointed as Chief Financial Officer of the Company with effect from August 02, 2025.

The followings were the KMP of the Company as on March 31, 2026: -

S. No.	Name	Designation
1.	Gopal Krishan Kothari	Chairman & Managing Director
2.	Naveen Behl	Whole-time Director
3.	Ashok Bansal	Chief Financial Officer
4.	Amit Verma	Company Secretary & Compliance Officer

14. DIRECTORS IDENTIFICATION NUMBER ("DIN"):

All present directors on the Board have valid Directors Identification Number (**"DIN"**) and Directors & company have complied with the Companies (Appointment and Qualification of Directors), Rules, 2014.

15. UNSECURED LOAN FROM DIRECTORS:

During the period under review, the Company has accepted an unsecured loan from the Directors or their relatives, who have provided a declaration in writing to that effect that the amount has not been given out of funds acquired by him by borrowing or accepting loans or deposits from other.

16. DEPOSITS:

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

17. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The Nomination and remuneration policy of company contains criteria for Director's appointment, remuneration and the term including the same for Independent Director. The Nomination and Remuneration Committee considers all the factors as given in the policy and then makes recommendations to the Board for the appointment / reappointment.

In compliance with the requirements of Section 178 of the Act, the Board has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel (KMPs) and other employees of the Company. The Policy provides for Board diversity criteria and qualifications for appointment of Directors, KMPs and remuneration paid / payable to Directors, Key Managerial Personnel (KMPs) and other employees. The Nomination and Remuneration Policy of the company may be accessed at the website of the company at the link:

https://www.kayjayforgings.com/corporate-governance-policies.php

18. COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS:

The Company has duly followed the applicable Secretarial standards, relating to Meeting of the Board of Directors (**"SS-1"**) and General Meeting (**"SS-2"**), issued by the Institute of Company Secretaries of India (**"ICSI"**).

19. NUMBER OF BOARD MEETINGS:

During the period under review, the Board met 12 (Twelve) times and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013. The details of Board Meeting are set out in **Annexure I** which forms part of this Annual Report.

20. MEETING OF INDEPENDENT DIRECTORS:

During the period under review, 1 (One) separate meetings of the Independent Directors was held on Thursday, 05th March, 2026 without the presence of Non-Independent Directors or the Company's management. The Independent Directors reviewed and evaluated the performance of the Non-Independent Directors and the performance of the chairperson of the Company. They also assessed the quality, adequacy, and timeliness of the information between the Management and the Board, which is essential for the Board to discharge its duties effectively and make informed decisions.

21. AUDITORS AND AUDIT REPORTS:

a) Statutory Auditors:

M/s. Goyal Sanjay & Associates, Chartered Accountants (Firm Registration No. 010083N) were appointed as Statutory Auditors of the Company for 5 (five) consecutive years at the 41st Annual General Meeting held on September 30, 2024, starting from the conclusion of 41st Annual General Meeting till the conclusion of 45th Annual General Meeting.

Further, the Statutory Auditors of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended March 31, 2026.

This Auditors' Report is self-explanatory and requires no comments.

b) Secretarial Auditor:

As per the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company in its meeting held on August 13, 2025 have recommend the appointment of M/s B.K. Gupta & Associates, Company Secretaries, as

Secretarial Auditor, to conduct Secretarial Audit of the Company for a term of 5 (Five) consecutive year from the financial year 2025-2026 to 2029-2030, for approval of members of the Company.

Further, the members of the Company in its Meeting held on August 16, 2025 have approved the appointment of M/s B.K. Gupta & Associates, Company Secretaries, as Secretarial Auditor of the Company for a term of 5 (Five) consecutive year starting from the financial year 2025-2026 to 2029-2030.

The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204 of the Companies Act, 2013 for the financial year ended March 31, 2026. This Report is self-explanatory and requires no comments. The Report forms part of Directors' Report as **Annexure II.**

c) Cost Auditor:

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is required to maintain cost records as specified by the Central Government. Accordingly, the Company has made and maintained such cost accounts and records in the prescribed manner. The records maintained by the Company under Section 148 of the Act are required to be audited by a Cost Accountant.

The Board in its meeting held on May 19, 2025, based on recommendation of Audit Committee, approved the appointment of Mr. Gurjant Singh, Cost Accountant (Firm Registration No. 100522) as the Cost Auditor to conduct audit of the cost records of the Company for the financial year 2025-2026. A remuneration of ₹ 60,000/- (Rupees Sixty thousand only) plus applicable taxes and out-of-pocket expenses has been fixed for the Cost Auditor.

The Company has received consent and eligibility certificate from Mr. Gurjant Singh, Cost Accountant (Firm Registration No. 100522) for appointment as Cost Auditor of the Company.

d) Internal Auditor:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the Company is required to appoint the Internal Auditor to conduct the internal audit for the financial year 2025-2026.

The Board in its meeting held on August 13, 2025, based on recommendation of Audit Committtee, has appointed Mr. Keshav Kumar (Accounts Manager), of the Company as the Internal Auditor of the Company for the financial year 2025-2026.

22. COMMITTEES OF THE BOARD:

The Companies Act, 2013 mandates a company to form certain Board Committees in order to have a focused approach on certain specific areas and take decisions in line with the delegated authority as per the provisions of the Act and the rules made thereunder. Hence, your Company has constituted the following committees as per the defined scope and the role:

a) Audit Committee;
b) Nomination and Remuneration Committee;
c) Corporate Social Responsibility (CSR) Committee;
d) Stakeholders Relationship Committee;
e) Initial Public Offering (IPO) Committee; and
f) Internal Complaint Committee (ICC).

a) Audit Committee:

In accordance with the provisions of Section 177 of the Companies Act, 2013, the Board of Directors, at its meeting held on August 18, 2025, re-constituted the Audit Committee. The Committee functions in line with the requirements specified under the said section. The composition of the Audit Committee is as under:

i. Mr. Pankaj Periwal (Chairman, Non-Executive Independent Director)
ii. Ms. Mohina (Member, Non-Executive Independent Director)
iii. Mr. Naveen Behl (Member, Whole-time Director)

During the year under review, the Audit Committee met six times.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the statutory auditor and notes the processes and safeguards employed by each of them.

b) Nomination and Remuneration Committee:

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors, at its meeting held on April 29, 2025 and August 18, 2025, re-constituted the Nomination and Remuneration Committee.

The Committee functions in line with the requirements specified under the said section. The composition of the Nomination and Remuneration Committee is as under:

i. Mr. Jatender Kumar Mehta (Chairman, Non-Executive Independent Director)
ii. Mr. Pankaj Periwal (Member, Non-Executive Independent Director)
iii. Ms. Mohina (Member, Non-Executive Independent Director)

During the year under review, the Nomination and Remuneration Committee met four times.

In terms of provisions of Section 134(3)(e) of the Companies Act, 2013, The Company has adopted a Nomination and Remuneration Policy, which is available on the website of the Company at https://www.kayjayforgings.com/corporate-governance-policies.php. The criteria for appointment, reappointment and removal of Director is covered in the Nomination and Remuneration Policy of the Company.

c) Corporate Social Responsibility ("CSR") Committee:

In terms of provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and its amendments thereafter, your Company has duly constituted a Corporate Social Responsibility (CSR) Committee. The Committee was reconstituted by the Board at its meeting held on August 18, 2025, with the following members is as under:

i. Mr. Naveen Behl (Chairman, Whole-time Director)
ii. Mr. Amit Kothari (Member, Executive Director)
iii. Mr. Pankaj Periwal (Member, Non-Executive Independent Director)

During the period under review, the CSR committee has met 2 (Two) times to discuss and plan the CSR activities in line with the CSR policy of the Company, which is available on the website of the Company at https://www.kayjayforgings.com/csr.php. Further, the Company has spent ₹ 7.81 Million on CSR activities.

The disclosures related to CSR activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014 are annexed hereto and forms part of this report as **Annexure III**.

d) Stakeholders Relationship Committee

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board of Directors, in its meeting held on April 29, 2025, constituted the Stakeholders Relationship Committee. Further, the Board in its meeting held on August 18, 2025, had re-constituted the Stakeholders Relationship Committee, with the following members is as under:

i. Mr. Pankaj Periwal (Chairman, Non-Executive Independent Director)
ii. Mr. Amit Kothari (Member, Executive Director)
iii. Mr. Naveen Behl (Member, Whole-time Director)

The Committee functions in line with the requirements specified under the said section. During the year under review, the Stakeholders Relationship Committee met once.

e) Initial Public Offering (IPO) Committee

The Board of Directors of the Company, in its meeting held on April 29, 2025, constituted an IPO Committee comprising the following members:

i. Mr. Naveen Behl (Chairperson, Whole-Time Director)
ii. Mr. Amit Kothari (Member, Executive Director)
iii. Mr. Gopal Krishan Kothari (Member, Chairman & Managing Director)

The IPO Committee has been empowered to undertake all acts, deeds, and matters on behalf of the Board in connection with the proposed Initial Public Offering of the Company, including, inter alia, negotiating, finalizing, and executing all necessary documentation and agreements as may be required in this regard.

f) Internal Complaint Committee (ICC)

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy formulated by the Company for prevention of sexual harassment.

Your Directors further state that during the year under review, there was no complaint filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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23. VIGIL MECHANISM & SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

i. Vigil Mechanism:

Your Company has a Whistle Blower Policy in place and has established the necessary vigil mechanism for directors and employees in line with the requirements of Section 177(9) of the Act, to report concerns about unethical behavior. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company.

ii. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company is committed to provide a work environment that ensures every employee is treated with dignity and respect. All employees are encouraged to reinforce the maintenance of a work environment free from sexual harassment. The Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment on the basis of their gender.

The Company has constituted an internal complaints committee for redressal of sexual harassment complaint (made by the victim) and for ensuring time bound treatment of such complaints.

24. RISK MANAGEMENT:

The Company's risk management procedures take into consideration and assess various external as well as internal risks the Company is exposed to and accordingly, various strategies are being devised for mitigating both internal and external risks. A risk management policy was formed and put in place to mitigate the risks, both internal and external, which the Company is exposed to as per the requirement of Section 134(3)(n) of the Companies Act, 2013. The policy of risk management is made available on the website of the company at: https://www.kayjayforgings.com/corporate-governance-policies.php

25. INTERNAL FINANCIAL CONTROLS & ITS ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statements. A report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013, as given by the Statutory Auditors of the Company forms part of Independent Auditor's Report on Financial Statements as **Annexure B**.

26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

The particulars of Contracts or Arrangements made with related parties as required under Section 134(3) (h) of the Companies Act, 2013 in specified form AOC-2 forms part of Directors' Report as **Annexure IV**.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Notes of Financial Statement of the Company.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars with respect to conservation of energy and other areas as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are annexed hereto and forms part of this report as **Annexure V**.

29. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN COMPANY'S SECURITIES:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has complied and formulated a Code of Conduct for Prevention of Insider Trading Policy, which prohibits trading in shares of the Company by insiders while in possession of unpublished price sensitive information in relation to the Company and following link: https://www.kayjayforgings.com/corporate-governance-policies.php

The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by way of dealing in securities of the Company by its Designated Persons. Mr. Amit Verma, Company Secretary and Compliance Officer of the Company, is authorized to act as Compliance Officer under the Code. The code is applicable to all directors, designated persons and their immediate relatives and connected persons who have access to unpublished price sensitive information.

Further, the Company has maintained a Structural Digital Database (SDD) pursuant to provisions of regulations 3 (5) and (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

30. ANNUAL RETURN:

The Annual Return of the Company in accordance with Section 92(3) and 134(3)(a) of the Act as amended from time to time and the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at https://www.kayjayforgings.com/financial-inner.php.

31. DETAILS OF EMPLOYEE STOCK OPTIONS:

The Company does not have any Employee Stock Option Scheme/ Plan.

32. HUMAN RESOURCES /INDUSTRIAL RELATIONS:

Your Company has taken various initiatives towards the safety and welfare of Employees across all levels. Also, the Company's focus is to improve the overall work culture, increase in effectiveness and efficiency and employee engagement and development.

33. PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time in respect of Directors / employees of the Company and a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to- time forms part of this Board Report as "**Annexure VI**" to this report.

34. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961:

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and Human Resource policies are in place to uphold the spirit and letter of the legislation.

35. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and as on the date of this report.

36. FRAUDS UNDER SECTION 143(12) OF COMPANIES ACT 2013:

No frauds were reported by auditors under sub-section (12) of section 143 of the Companies Act, 2013 to the Audit Committee or the Board of the Company.

37. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

During the period under review, the Company has not received any significant orders/ material orders passed by any of Regulators/ Courts/ Tribunals impacting the going concern status of the Company and its operations in future.

38. THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

There were no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016, as amended, before National Company Law Tribunal (NCLT) or other Courts during the year under review.

39. ANNUAL PERFORMANCE REVIEW:

The Nomination and Remuneration Committee of the Company has approved a comprehensive Nomination and Remuneration Policy, which includes the criteria for performance evaluation of the Board, its Committees, and individual Directors. The Policy has been duly approved and adopted by the Board of Directors.

In accordance with the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out an annual performance evaluation of its own performance, the performance of its Committees, and that of individual Directors. The evaluation process was structured through a detailed questionnaire addressing various parameters, including:

a) Composition and structure of the Board and its Committees;
b) Effectiveness of Board processes and information flow;
c) Quality of decision making and Board discussions; and

d) Performance of individual Directors, including Independent Directors and the Chairperson

The performance evaluation of Independent Directors was conducted by the entire Board, excluding the Director being evaluated. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees, and individual Directors. Feedback from the evaluation process was deliberated in Board meetings and noted for implementation and further improvement wherever necessary.

The Board's assessment encompassed, among other aspects, the clarity of roles and responsibilities of Directors, contribution to strategic planning, effectiveness of risk management, understanding of operational programs, timely receipt of financial and operational reports, monitoring progress against strategic goals, frequency and effectiveness of Board and Committee meetings, and overall governance practices.

The outcomes of the evaluations conducted by the Nomination and Remuneration Committee and the Independent Directors were presented to the Board. Based on these outcomes, the Board discussed and formulated actionable plans or suggestive measures to address any identified areas for improvement. The Directors expressed satisfaction with the evaluation process, its implementation, and the results, affirming that the exercise has contributed to enhanced governance and overall Board effectiveness.

40. DOWNSTREAM INVESTMENT

The Company neither has any Foreign Direct Investment (FDI) nor invested as any Downstream Investment in any other Company in India.

41. GENERAL DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
b) There was no instance of one time settlement with any Bank or Financial Institution.

42. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, the Board, hereby submits its responsibility Statement:

a) In the preparation of the annual accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures;
b) Appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on March 31, 2026;
c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) The annual accounts have been prepared on a going concern basis;
e) The Internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

43. ACKNOWLEDGEMENT:

The Board of Directors would like to express their sincere thanks to all the stakeholders and investors of the Company for the trust reposed in the Company. Your Directors would also like to thank the Government, both central and state, financial institutions, banks, customers, employees, dealers and vendors for their co-operation and help throughout the year.

FOR AND ON BEHALF OF THE BOARD
KAY JAY FORGINGS LIMITED

	(Gopal Krishan Kothari)	**(Naveen Behl)**
Dated: July 17, 2026	Chairman & Managing Director	Whole-time Director
Place: Ludhiana	DIN: 00026734	DIN: 01322486

INDEX OF ANNEXURES

(Forming Part of Board Report)

ANNEXURE-I

Number of Board Meetings

Sr. No.	Date of Meeting	Total No. of Directors as on date of meeting	Attendance	
			No. of Directors Attended	% of Attendance
1.	April 09, 2025	5	4	80%
2.	April 29, 2025	6	5	83.33%
3.	May 19, 2025	6	4	66.67%
4.	August 02, 2025	6	5	83.33%
5.	August 13, 2025	6	6	100%
6.	August 18, 2025	6	5	83.33%
7.	September 30, 2025	6	5	83.33%
8.	December 01, 2025	6	5	83.33%
9.	January 15, 2026	6	5	83.33%
10.	February 02, 2026	6	6	100%
11.	March 05, 2026	6	6	100%
12.	March 30, 2026	6	6	100%

ANNEXURE-II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To
The Members,
KAY JAY FORGINGS LIMITED,
CIN: U74899DL1983PLC029298
REGD. OFFICE: A-8, Maya Puri,
Industrial Area Phase-1, New Delhi, 110064.

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

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

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

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: **Not applicable during the audit period**

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings**; Not applicable during the audit period**

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

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable during the audit period

   b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Not applicable during the audit period

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; Not applicable during the audit period

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Applicable during the audit period**

e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,2021; Not applicable during the audit period

f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not applicable during the audit period

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable during the audit period

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not applicable during the audit period

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the audit period

(vi) We have relied on the representation made by the Company & its Officers for system and mechanism formed by the Company for compliances under other applicable Acts as Environmental Laws & Labor Laws as per list attached herewith.

(vii) We have also examined compliance with the applicable clauses of the following:-

a) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;
b) The Listing Agreements entered into by the Company with Stock Exchange(s): **Not Applicable as Company is an Unlisted Public Limited Company.**

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

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the major decisions taken by the company which are having major bearing in the Company's affair in pursuance of above referred laws, rules, regulation, guidelines, standards, etc. are as follows;

- *The **Authorised Share Capital** of the Company was **increased** from ₹ 1,55,00,000/- to ₹40,00,00,000/- pursuant to the resolution passed by the members at the Annual General Meeting held on 16th August, 2025. Consequently, the Memorandum of Association (MOA) of the Company was altered accordingly.*

- *The members of the Company, at their Annual General Meeting held on 16th August, 2025, approved the **sub-division (stock split)** of the equity shares of the Company such that 1 (One) equity share of face value ₹10/- (Rupees Ten only) each, fully paid-up, was sub-divided into 2 (Two) equity shares of face value ₹5/- (Rupees Five only) each, fully paid-up.*

- *The members of the Company, at their Extra-Ordinary General Meeting held on 24th February, 2026, by a special resolution approved the alteration in the object clause of Memorandum of Association, further Articles of Association was also altered in the same meeting.*

- *The members of the Company, at their Annual General Meeting held on 16th August, 2025, approved the issue of **Bonus shares** in the proportion of 15 (Fifteen) bonus equity shares of ₹5/- each for every 1 (One) equity share of ₹5/- each held by the shareholders. Further 06th August, 2025 was treated as the "**Record Date**" for the purpose of issuance of bonus shares.*

- *The Company has filed the **Draft Red Herring Prospectus** (DRHP) dated March 30, 2026, with the Securities and Exchange Board of India (SEBI), BSE Limited, and the National Stock Exchange of India Limited in connection with its proposed Initial Public Offering (IPO) of equity shares having a face value of ₹5 each. The filing was made pursuant to the approval of the members of the Company obtained at the Extra-Ordinary General Meeting held on 06th March, 2026.*

For **B.K. Gupta & Associates**
Company Secretaries

(CS Bhupesh Gupta)
FCS No.:4590
CP. No.:5708
UDIN: F004590H000871434

Place: Ludhiana
Date: 17.07.2026

❖ **<u>Note:</u>** This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

<u>Laws applicable to the industry to which the Company belongs, as identified and confirmed by the management of the company and confirmed that the company has complied with these laws:</u>

List of Labour Laws

- Factories Act, 1948
- Industrial Disputes Act, 1947
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employee's State Insurance Act, 1948
- Employee's Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour (Prohibition and Regulation) Act, 1986
- The Industrial Employment (Standing Orders) Act, 1946
- The Employees' Compensation Act, 1923
- The Apprentices Act, 1961
- The Equal Remuneration Act, 1976
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956

List of Environmental Laws

- The Environment (Protection) Act, 1986 [Read with the Environment (Protection) Rules, 1986]
- The Water (Prevention and Control of Pollution) Act, 1974 [Read with Water (Prevention and Control of Pollution) Rules, 1975]
- The Air (Prevention and Control of Pollution) Act, 1981 [Read with the Air (Prevention and Control of Pollution) Rules, 1982]
- Hazardous Waste (Management, Handling and Transboundary Movements) Rules, 2016.

Annexure -A

To
The Members,
KAY JAY FORGINGS LIMITED,
CIN: U74899DL1983PLC029298
REGD. OFFICE: A-8, Maya Puri,
Industrial Area Phase-1, New Delhi, 110064.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

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

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

For **B.K. Gupta & Associates**
Company Secretaries

(CS Bhupesh Gupta)
FCS:4590
CP. No. 5708

Place: Ludhiana
Date: 17.07.2026

ANNEXURE- III

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

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

The areas for CSR includes promotion of education, protection of child, development of human capital, promoting health care including preventive health care and sanitation, welfare of society, promoting environmental sustainability, and any other project/ programme pertaining to activities listed in rules.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Naveen Behl* (Chairman)	Whole Time Director	2	2
2.	Mr. Amit Kothari (Member)	Director	2	2
3.	Mr. Pankaj Periwal** (Member)	Non-Executive Independent Director	2	2

*Sh. Naveen Behl was re-designated as Chairman of the Committee w.e.f. August 18, 2025.

** Sh. Pankaj Periwal re-designated as Member of the Committee w.e.f. August 18, 2025.

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

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Millions)	Amount required to be set-off for the financial year, if any (in ₹ Millions)
1.	2022-2023	-	-
2.	2023-2024	-	-
3.	2024-2025	0.19	-

6. Average net profit of the company as per Section 135(5): **₹ 291.47 Million**

7.

(a)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 5.83 Million
(b)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	-
(c)	Amount required to be set-off for the financial year, if any	-
(d)	Total CSR obligation for the financial year [7a +7b-7c]	₹ 5.83 Million

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

Total Amount Spent for the Financial Year. (In ₹ Million)	**Amount Unspent (in ₹ Million)**				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
7.81	N.A.	N.A.	N.A.	NIL	N.A

(b) Details of CSR amount spent against **ongoing project** for the financial year:

(1) Sr. No.	**(2) Name of the Project**	**(3) Item from the list of activities in Schedule VII of the Act**	**(4) Local Area (Yes / No)**	**(5) Location of the Project**		**(6) Project Duration**	**(7) Amount Allocated for the project (in ₹)**	**(8) Amount spent in the current financial year (in ₹)**	**(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)**	**(10) Mode of Implementation - Direct (Yes/No).**	**(11) Mode of Implementation - Through Implementing Agency**	
				State	**District**						**Name**	**CSR Registration No.**
NIL												

(c) Details of CSR amount spent against **other than ongoing project** for the financial year:

(1) Sr. No.	**(2) Name of the Project**	**(3) Item from the list of activities in schedule VII to the Act**	**(4) Local Area (Yes / No)**	**(5) Location of the Project**		**(6) Amount spent for the Project (in ₹ Million)**	**(7) Mode of Implementation - Direct (Yes/No).**	**(8) Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration No.**
1.	For Environmental Sustainability	Item No. iv, ensuring Environmental sustainability, ecological balance	Yes	Punjab	Ludhiana	2.61	Yes	-	-
2.	For Promoting Health care	Item No. i, Promoting health care including Preventive health care	Yes	Punjab	Ludhiana	0.05	Yes	-	-

3.	For Setting up Old Age Homes	Item No. iii, Setting up of old age homes, day care center	-	-	-	5.00	No	Awas Niwas Foundation	CSR00013664
4.	For Promoting Education	Item No. ii, Promoting Education, employment and skills for children	-	-	-	0.15	No	Noble Foundation	CSR00001728
Total						**7.81**			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **N.A.**

(f) Total amount spent for the Financial Year [(a)+(b)+(c)] : **₹ 7.81 Million**

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

Sr. No.	Particulars	Amount (in ₹ Million)
(i)	2% of average net profit of the company as per section 135(5)	**5.83**
(ii)	Total amount spent for the Financial Year	**7.81**
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	**1.99**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	**-**
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	**1.99**

9. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **N.A.**

Sr. No.	Preceding F. Y. (s)	Amt. transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amt. in Unspent CSR Account under section 135(6) (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	2024-2025	--	--	--	--	--	--	--
2.	2023-2024	--	--	--	--	--	--	--
3.	2022-2023	--	--	--	--	--	--	--

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

(1) Sr. No.	(2) Project ID.	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (In ₹)	(7) Amount spent on the project in the reporting Financial Year (In ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (In ₹)	(9) Status of the project - Completed /Ongoing.
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **N.A.**

(a) Date of creation or acquisition of the capital asset(s): **N.A**
(b) Amount of CSR spent for creation or acquisition of capital asset: **N.A.**
(c) Details of the entity or public authority orbeneficiary under whose name such capital asset is registered, their address etc: **N.A.**
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **N.A.**

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

(Naveen Behl)
Chairman CSR Committee

ANNEXURE-IV

FORM NO. AOC -2

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

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

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

Particulars	Details
Name (s) of the related party & nature of relationship	N.A.
Nature of contracts/arrangements/transaction	N.A.
Duration of the contracts/arrangements/transaction	N.A.
Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
Date of approval by the Board	N.A.
Amount paid as advances, if any	N.A.

1. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of relationship	**MANNAT KOTHARI** (Relative of Director i.e. wife of Mr. Amit Kothari, Director of the Company)
Nature of contracts/arrangements/transaction	Salary (including other benefits)
Duration of the contracts/arrangements/transaction	Not Fixed
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 4.07 Million being paid salary (including any other benefits) for her services as Vice President- Exports
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

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

Particulars	Details
Name (s) of the related party & nature of Relationship	**MADHU KOTHARI** (Relative of Director i.e. wife of Sh. Gopal Krishan Kothari, Chairman & Managing Director of the Company)
Nature of contracts/arrangements/transaction	Salary (including other benefits)
Duration of the contracts/ arrangements/ transaction	Not Fixed
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 4.07 Million being paid salary (including any other benefits) for her services as General Manager-Administration
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

3. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**Dr. DEEPIKA BANSAL** (Relative of KMP i.e. wife of Mr. Ashok Bansal, Chief Financial Officer of the Company)
Nature of contracts/arrangements/transaction	Professional Fees
Duration of the contracts/ arrangements/ transaction	On commercial basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 1.31 Million being paid professional fees for her medical services
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

4. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**SHIVA SHAKTI INDUSTRIES** (Directors exercises significance control)
Nature of contracts/arrangements/transaction	Rent Received
Duration of the contracts/ arrangements/ transaction	On commercial basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 0.05 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

5. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**PURE INFRATECH** (Directors exercises significance control)
Nature of contracts/arrangements/transaction	Rent Received
Duration of the contracts/ arrangements/ transaction	On commercial basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 0.06 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

6. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details	Details
Name (s) of the related party & nature of Relationship	**KOTHARI EXPORTS INC.** (Directors exercises significance control)	
Nature of contracts/arrangements/transaction	Rent Received	Freight Paid
Duration of the contracts/arrangements/transaction	On commercial basis	On commercial basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 2.40 Million	₹ 89.97 Million
Date of approval by the Board	April 09, 2025	April 09, 2025
Amount paid as advances, if any	NIL	NIL

7. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**GOPAL KRISHAN KOTHARI** (Proprietorship Firm of Director)
Nature of contracts/arrangements/transaction	Rent Received
Duration of the contracts/arrangements/transaction	On commercial basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 0.12 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

8. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**MICRO COATERS** (Directors exercises significance control)
Nature of contracts/arrangements/transaction	Job Work & Purchase (B.O.P.)
Duration of the contracts/ arrangements/ transaction	On commercial basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 21.14 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

9. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**SHAHEED N. TUNDUP SEWA MEDAL AUTOCARE** (Proprietorship Firm of Director's Wife)
Nature of contracts/arrangements/transaction	Power & Fuel, Truck Expenses & Car Expenses
Duration of the contracts/ arrangements/ transaction	On commercial Basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 38.60 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

10. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**NAND LAL KOTHARI** (Relative of Director i.e. brother of Sh. Gopal Krishan Kothari, Chairman & Managing Director of the Company)
Nature of contracts/arrangements/transaction	Rent Paid
Duration of the contracts/ arrangements/ transaction	On Commercial basis
Salient terms of the contracts or arrangements or transaction including the value, if any	₹0.08 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

11. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details	Details
Name (s) of the related party & nature of Relationship	**TAMANNA KOTHARI** (Relative of Director i.e. daughter of Sh. Amit Kothari, Director of the Company)	
Nature of contracts/arrangements/transaction	Rent Paid	Staff Recruitment and Training Services
Duration of the contracts/arrangements/transaction	On Commercial basis	Not Fixed
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 0.66 Million	₹ 3.09 Million
Date of approval by the Board	April 09, 2025	April 09, 2025
Amount paid as advances, if any	NIL	NIL

12. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**AMANAT KOTHARI** (Relative of Director i.e. daughter of Sh. Amit Kothari, Director of the Company)
Nature of contracts/arrangements/transaction	Staff Recruitment and Training Services
Duration of the contracts/ arrangements/ transaction	Not Fixed
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 5.35 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

13. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details
Name (s) of the related party & nature of Relationship	**M/s Queen of Arts** (Relative of KMP i.e. Sister of Mrs. Mannat Kothari, KMP of the Company)
Nature of contracts/arrangements/transaction	Purchase of sweets
Duration of the contracts/ arrangements/ transaction	Not Fixed
Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 0.55 Million
Date of approval by the Board	April 09, 2025
Amount paid as advances, if any	NIL

ANNEXURE-V

INFORMATION AS PER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2026.

1. **The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:**

a) **Conservation of energy:**

(i)	**the steps taken or impact on conservation of energy**	The Company initiated several steps to conserve the energy, wherever possible
(ii)	**the steps taken by the Company for utilizing alternate sources of energy**	No step have been taken for utilizing alternate sources of energy
(iii)	**the capital investment on energy conservation equipment's**	₹ 3.97 Million

b) **Technology absorption:**

(i)	**the efforts made towards technology absorption**	The Company initiated several steps to absorb technology wherever it was required.
(ii)	**the benefits derived like product improvement, cost reduction, product development or import substitution**	Technology absorption helps in product development and cost reduction.
(iii)	**in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**	Not Applicable
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	**the expenditure incurred on Research and Development**	Company has incurred expenditure on Research and Development wherever it required.

c) **Foreign exchange earnings and Outgo:**

During the year, the total foreign exchange used was ₹ 48.43 Million and the total foreign exchange earned was ₹ 631.24 Million.

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Name of Director	Designation	Ratio
Gopal Krishan Kothari	Chairman and Managing Director	71.54
Amit Kothari	Executive Director	42.96
Naveen Behl	Whole-time Director	76.03
Pankaj Periwal	Independent Director	NA
Mohina	Independent Director	NA
Jatender Kumar Mehta	Independent Director	NA

2. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

Name of the Directors, Chief Financial Officer and Company Secretary	Designation	% increase
Gopal Krishan Kothari	Chairman and Managing Director	NIL
Amit Kothari	Executive Director	20%
Naveen Behl	Whole-time Director	9.06%
Pankaj Periwal	Independent Director	NIL
Mohina	Independent Director	NIL
Jatender Kumar Mehta	Independent Director	N.A
Ashok Bansal	Chief Financial Officer	N.A
Amit Verma	Company Secretary	27.20%

3. **The percentage increase in the median remuneration of employees in the financial year as compare to previous financial year:** The median remuneration of employees for the Financial Year 2025–26 was 8.53% higher than the median remuneration for the previous financial year.

4. **The number of permanent employees on the rolls of Company:** 3343

5. **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year:** Average percentage increase made in the salaries of employees other than the managerial Personnel in the Financial Year 2025-26 was 7.84% over previous year.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Nomination and Remuneration Committee of the company has affirmed that the remuneration paid is as per the remuneration policy of the Company.

7. **The Policy is available on the Company's Website**: https://www.kayjayforgings.com/

Information as per Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Employees as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also Top 10 employees in terms of remuneration drawn during the year 2025-26:

Employee Name	Designation	Educational Qualification	Age	Experience (in years)	Date of Joining	Location	Remuneration in 2025-26 (In ₹ Millions)	Previous Employment	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule(2) of rule 5 of companies (Appointment and remuneration of managerial personnel) rules, 2014
					NIL				

Note:

- *No employee falls under the criteria specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*

INDEPENDENT AUDITORS' REPORT

To
The Members,
KAY JAY FORGINGS LIMITED
CIN No.: U74899DL1983PLC029298
Regd. Office: A-8, Maya Puri, Industrial Area Phase-I,
NEW DELHI.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **KAY JAY FORGINGS LIMITED (Formerly known Kay Jay Forgings Private Limited) ('the Company')**, which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including the statement of Other Comprehensive Income, Cash flow statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon
The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Accompanying Financial Statements
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these accompanying financial statements that give a true and fair view of the financial position, financial performance (change in equity), and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Financial Statement
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. **As required by Section 143(3) of the Act, we report that:**

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph h(vi) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time and other accounting principles generally accepted in India.

e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the Internal Financial Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"

g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its accompanying financial statements- **Refer Note 37** to the accompanying financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For GOYAL SANJAY & ASSOCIATES,
Chartered Accountants
FRN 010083N

(Davinder Goyal)
Partner
M.N. 091278

Date: 17.07.2026
Place: Ludhiana

Annexure A to Independent Auditors' Report

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of **KAY JAY FORGINGS LIMITED** on the financial statements as of and for the year ended March 31, 2026

i. (a)(A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Company has a program of verification of Property, Plant and Equipment so as to cover all the items once in every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain items of Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deeds/ transfer deeds/ conveyance deeds provided to us, we report that immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year ended March 31, 2026.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding Benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to information and explanations given to us, and as disclosed in **Note 48(v)** of the Standalone Financial Statements, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company of the respective quarters.

iii. (a) During the year, the Company has not provided loans/advances in the nature of loans, or stood guarantee, or provided security to any other entity;

(b) The investments made during the year are not prejudicial to the Company’s interest;

(c) During the year the Company has not granted any loans or advances in nature of loans.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. In our opinion and according to the explanations given to us, the company has not either directly or indirectly, granted loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and company has not made investments through more than two layers of investment companies in accordance with provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the order are not applicable to the company.

v. The Company has neither accepted deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie*,* the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) The Company is generally regular in depositing the undisputed statutory dues including goods and services tax, provident fund, employees’ state insurance, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute, except detail as under:-

Name of the Statute	**Nature of the Dues**	**Demand (Rs. In millions)**	**Amount Deposited (Rs. In millions)**	**Period to which the amount relates**	**Forum where the dispute is pending**
Goods & Services Tax Act, 2017	Mismatch ITC in GSTR-3B, GSTR 2A and GSTR 9	153.222	0.005	2018-19 to 2023-24	Central GST Appellate Authority

Note: Income Tax Portal Showing Total Demand of Rs. 2.872 millions relating to AY 2008-09, 2009-10 & 2010-11. As per management, the same is not payable. Company is following up with Income Tax Dept. for its rectification.

viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses ix(e) are not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses ix(f) are not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The company has not made preferential allotment or private placement of shares during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses xvi (d) are not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. The Company has fully spent the required amount towards Corporate Social responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a fund specified in Schedule VII of the Act or special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For GOYAL SANJAY & ASSOCIATES,
Chartered Accountants
FRN 010083N

(Davinder Goyal)
Partner
M.N. 091278

Date: 17.07.2026
Place: Ludhiana

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **KAY JAY FORGINGS LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the accompanying financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GOYAL SANJAY & ASSOCIATES,
Chartered Accountants
FRN 010083N

(DAVINDER GOYAL)
Partner
M.N. 091278

Date: 17.07.2026
Place: Ludhiana

KAY JAY FORGINGS LIMITED
(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)
CIN: U74899DL1983PLC029298
(All amounts in INR Millions, unless otherwise stated)

BALANCE SHEET AS AT MARCH 31, 2026

PARTICULARS	NOTE NO.	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
A. ASSETS			
(1) Non-Current Assets			
Property, Plant and Equipment	2.1	1,914.88	1,856.17
Intangible Assets	2.2	2.66	2.12
Capital Work in Progress	2.3	330.12	113.22
Right of Use Assets	2.4	3.29	4.23
		2,250.95	**1,975.74**
Financial Assets			
(i) Non Current Investments	3	3.75	2.51
(ii) Other Financial Assets	4	49.85	41.48
		53.60	**43.98**
Other Non Current Assets	5	138.27	49.47
Total Non-Current Assets		**2,442.82**	**2,069.19**
(2) Current Assets			
Inventories	6	1,191.54	1,040.88
Financial Assets			
(i) Trade Receivables	7	377.30	399.56
(ii) Cash and Cash Equivalents	8	12.33	73.87
(iii) Other Balances with Banks	9	0.50	0.48
(iv) Short-term Loans and Advances	10	58.47	17.80
(v) Other Financial Assets	4	30.19	11.07
Other Current Assets	11	122.77	64.09
Total Current Assets		**1,793.09**	**1,607.75**
TOTAL ASSETS		**4,235.91**	**3,676.94**
B. EQUITY AND LIABILITIES			
(1) EQUITY			
Equity Share Capital	12	229.88	14.37
Other Equity	13	1,767.18	1,614.34
Total Equity		**1,997.05**	**1,628.71**
LIABILITIES			
(2) Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	578.95	551.66
(ii) Lease Liabilities	15	3.24	3.63
Deferred Tax Liabilities (net)	16	15.13	15.22
Long-term Provision - Gratuity	17	19.69	19.16
Total Non-Current Liabilities		**617.00**	**589.66**
(3) Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	624.01	467.17
(ii) Trade Payables :-	19		
(A) Total Outstanding Dues of Micro and Small Enterprises		124.44	101.38
and			
(B) Total Outstanding Dues of Creditors Other than Micro and Small Enterprises		590.17	489.99
(iii) Lease Liabilities	15	0.38	0.93
(iv) Other Financial Liabilities	20	22.14	101.78
Other Current Liabilities	21	179.69	224.06
Short-term Provisions	22	81.03	73.25
Total Current Liabilities		**1,621.86**	**1,458.58**
TOTAL EQUITY AND LIABILITIES		**4,235.91**	**3,676.94**
Corporate Information & Material Accounting Policies	1		

The above Statement should be read with the Material Accounting Policies and other explanatory Notes to Financial Statements.
As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
FRN 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
M.N. 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date :
UDIN:

Ashok Bansal
Chief Financial Officer

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

(All amounts in INR Millions, unless otherwise stated)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

PARTICULARS	N0TE NO.	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
A. INCOME			
Revenue from Operations	23	9,217.58	7,504.64
Other Income	24	14.78	17.47
TOTAL INCOME (A)		**9,232.36**	**7,522.11**
B. EXPENSES:			
Cost of Materials Consumed	25	4,996.65	4,028.21
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(64.12)	(63.89)
Employee Benefits Expense	27	1,324.93	1,064.62
Finance Cost	28	100.19	121.41
Depreciation and Amortisation Expense	29	231.48	229.96
Other Expenses	30	2,154.52	1,760.72
TOTAL EXPENSES (B)		**8,743.66**	**7,141.04**
Profit/(Loss) before Exceptional and Extraordinary Items and Tax		**488.70**	**381.07**
Exceptional Items		0.00	0.00
Profit/(Loss) before extraordinary items and tax		**488.70**	**381.07**
Extraordinary items		0.00	0.00
PROFIT/ (LOSS) BEFORE TAX (C= A-B)		**488.70**	**381.07**
Tax expense:			
Current Tax	32	119.00	95.00
Deferred Tax		(0.48)	(4.08)
Tax in respect of earlier years (Net of Provision W/Back)		0.06	0.00
TOTAL TAX EXPENSE (D)		**118.59**	**90.92**
PROFIT/(LOSS) FOR THE YEAR (E = C-D)		**370.11**	**290.15**
Other Comprehensive Income (OCI)			
A (i) Items that will not be reclassified to profit and loss			
(a) Remeasurement gain/ (loss) on defined employee benefit plans		(1.16)	(2.72)
(ii) Add/less Income Tax effect on above		(0.39)	(0.43)
Other Comprehensive Income/(Loss)		(1.55)	(3.16)
(b) Net gain/(loss) on investments in equity instruments designated at FVTOCI		(0.21)	0.00
Add/less Income Tax effect on above		0.00	0.00
Other Comprehensive Income/(Loss)		(0.21)	0.00
Total Other Comprehensive Income/(loss)		(1.77)	(3.16)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**368.35**	**286.99**
Earnings per share: (in ₹)			
Nominal Value ₹5/- per share	33		
(1) Basic		8.05	6.31
(2) Diluted		8.05	6.31

The above Statement should be read with the Material Accounting Policies and other explanatory Notes to Financial Statements.
As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
FRN 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
M.N. 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date :
UDIN:

Ashok Bansal
Chief Financial Officer

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

(All amounts in INR Millions, unless otherwise stated)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

S.No.	PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	PROFIT BEFORE TAX	488.70	381.07
	Adjustment for :		
	Depreciation and Amortization Expense	231.48	229.96
	Interest Paid	100.19	121.41
	Interest Received	(5.08)	(13.67)
	(Gain)/Loss in Fair Value of Investment	0.55	(0.04)
	Actuarial Loss	(1.16)	(2.72)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**814.68**	**716.01**
	Working capital adjustments:		
	(Increase)/ Decrease in Trade Receivables	22.25	(89.38)
	(Increase)/ Decrease in Inventories	(150.66)	(143.08)
	(Increase)/ Decrease in Short Term Loans & Advances	(40.67)	3.15
	(Increase)/ Decrease in Financial Assets & Other Current Assets	(86.17)	(25.63)
	Increase/ (Decrease) in Other Financial Liabilities	(79.65)	150.44
	Increase/ (Decrease) in Short-Term Borrowings & Other Payables	244.01	70.06
	CASH GENERATED FROM OPERATIONS	**723.80**	**681.58**
	Less: Income Tax Paid (Net of Refund)	119.06	95.00
	CASH FLOW BEFORE EXTRAORDINARY ITEMS	**604.74**	**586.58**
	EXTRAORINARY ITEMS	0.00	0.00
	NET CASH FLOW FROM OPERATING ACTIVITES (A)	**604.74**	**586.58**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, plant & Equipment,Intangible Assets, Right of use Asset & CWIP (Net of Sales)	(506.70)	(636.00)
	(Increase)/Decrease in Non Current Assets & Investments	(90.80)	143.69
	Interest Received	5.08	13.67
	NET CASH FLOW/ (USED IN) INVESTING ACTIVITIES	**(592.42)**	**(478.64)**
C.	**CASH FLOW FROM FINANCING ACTIVITES**		
	Proceeds from Long Term Borrowings (Net)	27.29	(158.11)
	Interest Paid	(99.87)	(120.99)
	Lease Repayments (including interest)	(1.26)	(1.63)
	NET CASH FLOW /(USED IN) FINANCING ACTIVITIES	**(73.84)**	**(280.73)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(61.52)**	**(172.80)**
	Cash and Cash Equivalents at the beginning of the year	**74.35**	**247.14**
	Cash and Cash Equivalents at the end of the year	**12.82**	**74.35**

The above Statement should be read with the Material Accounting Policies and other explanatory Notes to Financial Statements.
As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
FRN 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
M.N. 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date :
UDIN:

Ashok Bansal
Chief Financial Officer

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

(All amounts in INR Millions, unless otherwise stated)

Statement of Changes in Equity for the period ended March 31, 2026

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount
As at April 1, 2024	**14,36,730**	**14.37**
Changes in equity share capital	0.00	0.00
As at March 31, 2025	**14,36,730**	**14.37**
Add:- Sub-division of Rs.10/- to Rs.5/- face value per share during the year	14,36,730	0.00
Add:- Bonus Issue during the year	4,31,01,900	215.51
As at March 31, 2026	**4,59,75,360**	**229.88**

B. OTHER EQUITY

Particulars	Reserves & Surplus				Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Remeasurement of net defined benefit liability/asset	
Balance as at April 1, 2024	**25.78**	**0.15**	**16.41**	**1,291.14**	**(6.13)**	**1,327.35**
Profit for the year	0.00	0.00	0.00	290.15	0.00	290.15
Other comprehensive income/(Loss) for the year	0.00	0.00	0.00	0.00	(3.16)	(3.16)
Total comprehensive income for the year	0.00	0.00	0.00	290.15	(3.16)	286.99
Balance as at March 31, 2025	**25.78**	**0.15**	**16.41**	**1,581.28**	**(9.29)**	**1,614.34**
Bonus Share Issued during the year	0.00	0.00	0.00	(215.51)	0.00	(215.51)
Profit for the year	0.00	0.00	0.00	370.11	0.00	370.11
Other comprehensive income/(Loss) for the year	0.00	0.00	0.00	0.00	(1.77)	(1.77)
Total comprehensive income for the year	0.00	0.00	0.00	370.11	(1.77)	368.35
Balance as at March 31, 2026	**25.78**	**0.15**	**16.41**	**1,735.88**	**(11.05)**	**1,767.18**

The above Statement should be read with the Material Accounting Policies and other explanatory Notes to Financial Statements.
As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
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Material Accounting Policies and Other Explanatory Information Forming Part of Financial Statements

1. Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1(A) Corporate Information

Kay Jay Forgings Limited (hereinafter referred to as the Company) is a Public Company domiciled in India. The Company was formerly known as Kay Jay Forgings Private Limited, prior to its conversion from private limited to public limited status w.e.f. 19th day of December 2024, pursuant to approval granted by the Ministry of Corporate affairs. The Registered office of the company is situated at A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi, India, 110064.

The Company is engaged in the business of automotive and non-automotive components and delivering high-precision forged and machined components to OEM & Tier-I Suppliers.

1(B) Material Accounting Policies
(a) Basis of Preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the financial statements.

These financial statements include Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows and Notes comprising a summary of material accounting policies and other explanatory information and comparative information in respect of the preceding period.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value.

· Derivative Financial Instruments

· Certain Other financial assets and financial liabilities which have been measured at fair value (refer Note 35 annexed to the financial statements)

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Millions (Rs.10,00,000) except wherever otherwise stated.

(b) Use of Estimates and Judgments

In preparing the financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/or results of operations. The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

Areas involving critical estimates or judgements are:

- Recognition of deferred tax assets and liabilities- Note (p);
- Estimation of defined benefit obligation – Note (t);
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note (k);
- Leases: whether an arrangement contains a lease, determination of lease term, measurement of Right of Use ("ROU") assets - Note (m);
- Fair value measurement for financial instruments – Note (d)

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial information. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

(c) Current versus Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind-AS 1, "Presentation of financial statements".

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that entity can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Foreign Currency
(i) Functional and Presentation Currency

The financial statements of the Company are presented using Indian Rupee (Rs.), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

(ii) Transactions and Balances
Foreign currency transactions are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

(f) Property, Plant and Equipment
The Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as its deemed cost except for Land for which fair value is considered as a deemed cost.

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

Depreciation is recognised so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Type of Assets	Schedule II life (years)	Useful Lives
Building –Factory	30	30
Building- others	60	60
Plant & Machinery	15	15
Computers	3	3
Office Equipment	5	5
Electrical Fittings & installations	10	10
Furniture & Fixtures	10	10
Vehicles	8	8

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

The company has adopted Straight Line Method from Written Down Value Method (except Depreciation on fixed assets of Unit-III and Machinery of other units installed from 01.04.2002 onwards as it was already on Straight Line Method) w.e.f. 1st April, 2024 to better reflect the pattern of economic benefits derived from the assets.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight-line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar asset.
Freehold land is not depreciated.

(g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development". Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Type of Assets:	Type of Assets Schedule II life	Useful Lives
Software	6	5

(h) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

(i) Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(j) Cash and Cash Equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(k) Provisions Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(l) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value. The basis of determining costs for various categories of inventories is as follows –

Raw Materials

Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Stores & Spares and Consumables

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Work-In-Progress

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Traded Goods

Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing to their present location and condition. Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(m) Leases
(i) Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short Term Leases and Leases of Low Value of Assets
The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Company has exercised judgement in determining the lease term as the non-cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

(n) Financial Instruments
(i) Initial Recognition

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

(ii) Financial Assets
Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

A financial asset that meets the following two conditions is measured at amortized cost.
-Business Model Test: The objective of company's business model is to hold the financial asset to collect the contractual cash flows.

- Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI: -

-Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

-Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Equity Investments (other than investments in subsidiaries, associates and joint venture)

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

De-recognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through the arrangement; and with that –

a) the Company has transferred substantially all the risks and rewards of the asset, or

b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial Liabilities
Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement

The company has accounted for its term loans, vehicle loans & other borrowings in accordance with Ind AS 109-Financial Instruments.

For trade and other payables maturing within one year from the balance sheet date, the carrying value is at Amortised

Financial liabilities are measured at amortized cost using Effective Interest Rate (EIR) method, except where practical constraints exist.

De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Re-classification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(o) Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

(p) Income Taxes
(i) Current Tax
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred Tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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 the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

(q) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

Export Incentive

Income from Export Incentives are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

(r) Other Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

(s) Borrowing Costs

Borrowing cost, if any, that are directly attributable to the acquisition, construction, or production of a *qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences, if any, to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

*A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

(t) Employee Benefits

Gratuity

The Company accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date using projected unit credit method. The liability recognized in the balance sheet in respect of the gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income

Compensated Absences

Accumulated compensated absences are either availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service. The Company has a policy to encash the entire leaves balance outstanding as at the end of the year in the subsequent year.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Changes in Accounting Policies and Disclosures
(a) New and amended standards and interpretations
(i) Definition of Accounting Estimates - Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no impact on the financial statements of the Company.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements of the Company.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. These amendments had no impact on the financial statements of the Company.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

(b) Standards issued but not yet effective
There are no such standards or amendment issued which are not effective as on date.

For Goyal Sanjay & Associates **Chartered Accountants** **FRN 010083N**	**For and on behalf of the Board of Directors of** **KAY JAY FORGINGS LIMITED**

Davinder Goyal **Partner** **M.N. 091278**	**Gopal Krishan Kothari** **Chairman & Managing Director** **DIN: 00026734**	**Naveen Behl** **Whole Time Director** **DIN: 01322486**
Place : **Date :** **UDIN:**	**Ashok Bansal** **Chief Financial Officer**	**Amit Verma** **Company Secretary & Compliance Officer** **Membership No: A75038**

(All amounts in INR Millions, unless otherwise stated)

Note No. 2 : Property, Plant & Equipments, Intangible Assets, Right of Use Assets & Capital Work-in-Progress As on March 31, 2026

Particulars	2.1 Property, Plant & Equipment									2.2 Intangible Assets	2.3 Capital Work-in-Progress	2.4 Right of Use Assets
	Freehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Electric Fittings	Total	Computer Software		
As At April 1, 2024	**210.16**	**380.39**	**2,271.86**	**31.46**	**92.51**	**49.22**	**30.63**	**116.06**	**3,182.29**	**17.81**	**10.82**	**7.06**
Additions:	112.76	98.90	294.26	2.71	15.50	4.95	2.37	11.23	542.68	0.43	113.22	0.00
Deductions	4.99	0.00	15.71	0.00	9.15	0.04	0.00	0.48	30.37	0.00	10.82	0.00
As At March 31, 2025	**317.93**	**479.28**	**2,550.42**	**34.17**	**98.86**	**54.13**	**33.00**	**126.81**	**3,694.60**	**18.23**	**113.22**	**7.06**
Additions:	103.51	10.08	286.89	2.67	33.98	4.30	2.37	11.76	455.56	1.66	260.23	0.00
Deductions	102.83	62.87	16.64	0.00	14.90	0.24	0.22	0.00	197.71	0.00	43.32	0.00
As At March 31, 2026	**318.61**	**426.49**	**2,820.67**	**36.83**	**117.94**	**58.20**	**35.15**	**138.58**	**3,952.46**	**19.90**	**330.12**	**7.06**
Accumulated Depreciation												
As At April 1, 2024	**0.00**	**125.05**	**1,293.94**	**20.60**	**61.71**	**35.01**	**24.35**	**70.82**	**1,631.48**	**15.27**	**0.00**	**1.53**
Depreciation/Amortization expense	0.00	11.75	188.66	2.15	7.23	5.16	2.89	9.98	227.82	0.85	0.00	1.30
Disposals	0.00	0.00	14.61	0.00	5.82	0.04	0.00	0.40	20.86	0.00	0.00	0.00
As At March 31, 2025	**0.00**	**136.81**	**1,467.99**	**22.75**	**63.12**	**40.13**	**27.23**	**80.40**	**1,838.44**	**16.11**	**0.00**	**2.83**
Depreciation/Amortization expense	0.00	12.47	190.27	1.94	8.45	5.06	2.69	8.53	229.41	1.12	0.00	0.94
Disposals	0.00	0.91	15.81	0.00	13.14	0.23	0.19	0.00	30.27	0.00	0.00	0.00
As At March 31, 2026	**0.00**	**148.36**	**1,642.46**	**24.69**	**58.44**	**44.96**	**29.73**	**88.93**	**2,037.58**	**17.24**	**0.00**	**3.77**
Net Carrying Value												
As At March 31, 2025	**317.93**	**342.48**	**1,082.43**	**11.41**	**35.74**	**14.00**	**5.77**	**46.41**	**1,856.17**	**2.12**	**113.22**	**4.23**
As At March 31, 2026	**318.61**	**278.12**	**1,178.22**	**12.14**	**59.50**	**13.24**	**5.42**	**49.64**	**1,914.88**	**2.66**	**330.12**	**3.29**

Notes:
(i) There were no revaluation carried out by the Company during the period ended March 31, 2026 and March 31, 2025.
(ii) Assets pledged and hypothecated against borrowings. Refer Note 14
(iii) The title deeds of all the immovable properties (other than properties where the Company is the lessee and lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(All amounts in INR Millions, unless otherwise stated)

Note 2 (a): Ageing Schedule of Capital Work-in-Progress (CWIP) is as follows:-

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At March 31, 2026					
Projects in progress					
Machinery	181.94	45.04	0.00	0.00	226.98
Building	78.29	24.86	0.00	0.00	103.14
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	**260.23**	**69.90**	**0.00**	**0.00**	**330.12**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At March 31, 2025					
Projects in progress					
Machinery	88.24	0.00	0.00	0.00	88.24
Building	24.98	0.00	0.00	0.00	24.98
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	**113.22**	**0.00**	**0.00**	**0.00**	**113.22**

The Company has no intangible assets under development as at March 31, 2026 and March 31, 2025 hence ageing of the same has not been provided.

(All amounts in INR Millions, unless otherwise stated)

Note (3) Non Current Investments

PARTICULARS	UNITS/SHARES	AS AT MARCH 31, 2026	UNITS/SHARES	AS AT MARCH 31, 2025
Mutual Funds (Quoted)				
(Measured at Fair Value through Profit or Loss)				
MF- SBI-Infrasturcture Fund	50,000.00	1.93	50,000.00	2.30
MF- Canara Robeco Large Cap Fund	4,393.11	0.24	-	0.00
MF- DSP Large & Mid Cap Fund	584.86	0.33	-	0.00
MF- HDFC Flexi Cap Fund	89.91	0.16	-	0.00
MF- Invesco India Contra Fund	2,089.56	0.24	-	0.00
MF- Kotak Mid Cap Fund	2,031.56	0.25	-	0.00
MF- Kotak Small Cap Fund	840.68	0.18	-	0.00
MF- NJ Flexi Cap Fund	14,242.62	0.16	-	0.00
MF- SBI Large & Mid Cap Fund	425.51	0.25	-	0.00
Total	**74,697.81**	**3.75**	**50,000.00**	**2.30**
(Measured at Fair Value through OCI)				
Veeyes Renewable Energy India Pvt. Ltd	12,754	0.13	12,075	0.12
Veeyes Green Power Private Limited	8,640	0.09	8,614	0.09
Less: Fair Value Loss recognised in Other Comprehensive Income*		(0.21)		0.00
	21,394	**0.00**	**20,689**	**0.21**
Total		**3.75**		**2.51**

* As of March 31, 2026, the underlying Net Asset Value (NAV) of both the investee companies is assessed as negative due to operational losses. Management has assessed the fair value of these instruments using a liquidation value framework under IND AS 113. Since the liability of the company is strictly limited to its paid up capital contribution and no constructive obligations or financial guarantees have been extended to fund these entities, the fair value of these equity instruments is measured as **Nil**.

Note (4) Other Financial Assets

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Non-Current		
Measured at Amortised cost (Unsecured, Considered Good)		
(a) Security Deposit*	48.06	39.68
(b) Security deposits for Leases *	1.80	1.80
	49.85	41.48
Current		
Measured at Amortised cost (Unsecured, Considered Good)		
Interest Receivable	4.90	2.29
Other Recoverables	25.28	7.21
Unrealised Gain on Cancellation of Forward Contract	0.00	1.57
	30.19	11.07
Total	**80.04**	**52.55**

***Refer Note 47 "Practical Constraints in EIR Computation" annexed to the Financial Statements**

Note (5) Other Non Current Assets

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(Unsecured & Considered Good)		
(a) Capital Advances	138.27	49.47
Total	**138.27**	**49.47**

(a) Borrowing Costs Capitalized

"During the year, the Company has capitalized borrowing costs amounting to Rs. 23.11 millions out of which Rs. 3.50 millions have been included under 'Capital Advances' in Other Non-Current Assets , as the respective assets are yet to be recognized under Property, Plant & Equipment (PPE) or Capital Work in Progress (CWIP)."

(b) Nature of Capital Advances

Capital advances represent amounts paid towards the acquisition/construction of qualifying assets, including advances towards vendors, contractors, & suppliers for property, plant & equipment. The related borrowing costs will be reclassified to the respective asset upon capitalisation.

(c) Capitalisation Rate & Borrowings Considered

The capitalisation rate applied to determine the eligile borrowing cost was 9.50%. The borrowings considered include specific borrowings which were directly attributable to procurement of qualifying assets.

Note (6) Inventories

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Raw Materials	298.26	266.36
Work in Process	625.92	522.88
Finished Goods (other than those acquired for trading)	64.73	103.65
Stores and Spares	198.39	145.13
Power & Fuel	3.38	2.63
Goods in Transit	0.86	0.23
Total	**1,191.54**	**1,040.88**

6.1. The carrying amount of inventory hypothecated to secure working capital facilities of Rs.1,191.54 Millions (Previous Year Rs. 1,040.88 Millions)

(All amounts in INR Millions, unless otherwise stated)

Note (7) Trade Receivables

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Considered Good- Unsecured		
a) Others	377.30	399.56
Total	**377.30**	**399.56**

7.1 a) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
b) Not any trade or other receivables are due from firms or private companies respectively in which a director is a partner, a director or member except provided in the related party note However, for other receivables, Refer Note 42.
c) Trade receivables are non-interest bearing.

(The space has been left blank intentionally)

(All amounts in INR Millions, unless otherwise stated)

Note 7.2 Trade Receivables Ageing Schedule

Outstanding for the Year Ended March 31, 2026

Particulars	Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables Considered Good	374.77	2.54	0.00	0.00	0.00	0.00	**377.30**
Total	**374.77**	**2.54**	**0.00**	**0.00**	**0.00**	**0.00**	**377.30**

Outstanding for the Year Ended March 31, 2025

Particulars	Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables Considered Good	357.14	42.41	0.00	0.00	0.00	0.00	**399.56**
Total	**357.14**	**42.41**	**0.00**	**0.00**	**0.00**	**0.00**	**399.56**

(All amounts in INR Millions, unless otherwise stated)

Note (8) Cash and Cash Equivalents

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(I) Balances with Banks		
(a) In Current Accounts	10.64	45.79
(b) In Cash Credit Accounts	0.20	26.67
(II) Cash in Hand	1.25	1.28
(III) Imprest Balances	0.23	0.13
Total	**12.33**	**73.87**

Note (9) Other Balances with Banks

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Fixed Deposits with Banks with original maturity of more than 3 months but less than 12 months*		
FDR With HDFC Bank	0.50	0.48
* Fixed deposits are pledged with banks against bank guarantee		
Total	**0.50**	**0.48**

Note (10) Short-term Loans and Advances

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(Unsecured & Considered Good)		
Advances to Suppliers	52.21	13.57
Advances to Employees	1.21	1.49
Advances to Related Parties	0.09	0.21
Other Advances	4.96	2.53
Total	**58.47**	**17.80**

Note (11) Other Current Assets

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Prepaid Expenses	37.46	37.46
Balances with Custom & GST Authorties	85.31	26.63
Total	**122.77**	**64.09**

Note (12) Equity Share Capital :

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par value of Rs. 5/- each (Previous year Rs. 10/- each) as follows:

PARTICULARS	NUMBER OF SHARES	AS AT MARCH 31, 2026	NUMBER OF SHARES	AS AT MARCH 31, 2025
***(a) Authorised :**				
Equity Shares of Rs. 5/- each (Previous Year Rs. 10/- each)	8,00,00,000	400.00	15,50,000	15.50
		400.00		15.50
(b) Issued, Subscribed & Paid Up:				
Equity Shares of Rs. 5/- each fully paid up (Previous Year Rs. 10/- each)	4,59,75,360	229.88	14,36,730	14.37
Total		**229.88**		**14.37**

* The Company has increased the Authorised Equity Share Capital from Rs.15.50 million to Rs. 400 million , pursuant to the approval of the shareholders obtained in the Annual General Meeting held on August 16, 2025.
** Refer note 12(a) for Subdivision of equity shares and refer note 12 (e) for Bonus issue of equity shares

(12).a Reconciliation of the number of shares

PARTICULARS	AS AT MARCH 31, 2026 Number of Shares	AS AT MARCH 31, 2025 Number of Shares
Opening Balance	14,36,730	14,36,730
Changes during the Year	4,45,38,630	-
Closing Balance	4,59,75,360	14,36,730

The Company has sub-divided the face value of the equity shares Rs. 10/- per share to Rs. 5/- per share , pursuant to the approval of the shareholders obtained in the Annual General Meeting held on August 16, 2025.
Refer Note 12 (e) for bonus issue of equity shares

(All amounts in INR Millions, unless otherwise stated)

(12).b Details of shares held by each shareholder holding more than 5% shares:

PARTICULARS	AS AT MARCH 31, 2026 Number of shares & % of holding	AS AT MARCH 31, 2025 Number of shares & % of holding
Equity shares		
Gopal Krishan Kothari	4,00,11,520 87.03%	11,10,360 77.29%
Amit Kothari	25,68,960 5.59%	80,280 5.59%
Madhu Kothari	-	2,09,180 14.56%

(12).c Disclosure of Shareholding of Promoters at March 31, 2026 is as follows
 # Shares held by promoters at the end of the year

Promoters Name	No. of Equity Shares	% of Total Shares	% of Change during the year
Gopal Krishan Kothari	4,00,11,520	87.03	9.74
Amit Kothari	25,68,960	5.59	-
Total	**4,25,80,480**	**92.62**	**9.74**

Disclosure of Shareholding of Promoters at March 31, 2025 is as follows
Shares held by promoters at the end of the year

Promoters Name	No. of Equity Shares	% of Total Shares	% of Change during the year
Gopal Krishan Kothari	11,10,360	77.29	-
Amit Kothari	80,280	5.59	-
Madhu Kothari	2,09,180	14.56	-
G.K Kothari & Sons	33,000	2.29	-
Savitri Devi Sarda	1,900	0.13	-
Amit Kothari HUF	2,000	0.14	-
Total	**14,36,720**	**100.00**	**-**

Pursuant to Resolution passed by our Board of Directors in its meeting duly held & convened on August 2, 2025, the management had considered and identified Gopal Krishan Kothari and Amit Kothari as the promoters of the Company as per regulation 2(oo) of SEBI (ICDR) Regulation 2018. However, based on certain developments and management evaluation, Madhu Kothari, Savitri Devi, Amit Kothari HUF, and G K Kothari & Sons are now being classified as members of the promoter group of the company along with others as defined in regulation 2(pp) of SEBI (ICDR) Regulation 2018.

(12).d Rights, Preferences & Restrictions
Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. There is no restriction on distribution on dividend. No such dividend has been distributed in the history of Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. the distribution will be in proportion to the no. of equity shares held by shareholder

(12).e Bonus shares issued during the current Financial Year

On August 18, 2025 the Company had allotted 4,31,01,900 equity shares of Rs. 5/- each (fully paid up) in the proportion of 15 equity shares for every 1 fully paid up equity share to eligible shareholders whose names appeared in the Register of Members / Register of Beneficial Owner as on August 6, 2025 being the record date fixed for this purpose, in accordance with approval received from the Members by way of special resolution passed in duly convened annual general meeting held on August 16, 2025 on bonus basis. The said equity shares shall rank pari passu in all respects with the existing equity shares of the Company. As a result of the bonus issue, the paid-up capital of the Company increased to Rs. 229.88 millions from Rs. 14.37 millions. The paid-up capital on account of bonus issue of Rs. 215.51 millions has been appropriated from Retained Earnings.

(12).f No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

Note (13) Other Equity
Other Equity consists of the following:

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(a) Securities premium account	25.78	25.78
(b) Capital Reserve	0.15	0.15
(c) General Reserve	16.41	16.41
(d) Retained Earning		
As per last Balance Sheet	1,581.28	1,291.14
Less: Bonus Shares Issued	(215.51)	0.00
Add: Profit/Loss for the year	370.11	290.15
	1,735.88	1,581.28
(e) Remeasurement of net defined benefit plan through OCI		
As per last Balance Sheet	(9.29)	(6.13)
Less: Other Comprehensive income (net of tax)	(1.77)	(3.16)
	(11.05)	(9.29)
Total	**1,767.18**	**1,614.34**

Nature & Purpose of each Reserve:

13.1 Securities Premium: Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Companies Act, 2013.

(All amounts in INR Millions, unless otherwise stated)

13.2 General Reserve: It is a free reserve created from retained earnings. It can be used for any purpose as per management discretion.

13.3 Retained Earnings: Surplus/ (deficit) in the statement of profit and loss are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
Surplus/ (deficit) in the statement of profit and loss is a free reserve available to the company.

13.4 Other Comprehensive Income: It includes remeasurement loss/ gain on defined benefit obligations, net of taxes that will not be reclassified to statement of profit and loss.

Note (14) Borrowings

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(a) Term loans		
Secured *	328.35	294.82
(b) Loans and Advances from Related Parties		
Unsecured	250.60	256.83
Total	**578.95**	**551.66**

***Refer Note 47 "Practical Constraints in EIR Computation" annexed to the Financial Statements**

Note (14).1 Details of Term Loan & Loans & Advance:-

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Term loans		
Secured		
(I) From Banks		
(A) IN INDIAN CURRENCY		
Axis Bank (10.00 Cr)	49.60	66.34
Axis Bank (10.00 Cr)	73.60	0.00
Federal Bank (ECLGS 1.5 Cr)	5.13	9.08
Hdfc Bank (ECLGS 11.54 Cr)	0.00	2.40
Hdfc Bank (7.85Cr)	0.00	15.70
Hdfc Bank (ECLGS 5.769 Cr)	15.62	30.05
Hdfc Bank (2.15 Cr)	0.00	4.37
Hdfc Bank (3.15 Cr Out Of 10 Cr)	6.30	12.60
Hdfc Bank (6.85 Cr Out Of 10 Cr)	13.70	27.40
Hdfc Bank (10.00Cr)	30.00	50.00
Hdfc Bank (10.00Cr)	75.00	0.00
	268.96	**217.95**
(II) From Financial Institutions		
(A) IN INDIAN CURRENCY		
Bajaj Finance (5.00 Cr.)	8.12	18.81
Bajaj Finance (10.00 Cr.)	31.26	51.43
	39.38	**70.24**
(III) From Bank-Vehicle Loan		
HDFC BANK:		
Innova (JG-7787)	0.00	0.79
Innova (JI-4748)	0.36	1.37
Creta	0.11	0.74
UBOI BANK:		
BYD EV	0.31	2.07
Innova	0.45	1.47
AXIS BANK:		
Commercial Vehicle	0.00	0.21
Bank of India		
BMW	12.17	0.00
UCO Bank		
Toyota Vellfire	6.62	0.00
	20.02	**6.63**
	328.35	**294.82**
Loans and Advances from Related Parties:		
Unsecured		
From Promoters and their Relatives		
Gopal Krishan Kothari	99.20	99.14
Amit Kothari	60.14	55.07
G K Kothari & Sons	0.00	71.26
Amit Kothari HUF	0.00	6.56
Amanat Kothari	11.25	0.00
Mannat Kothari	32.16	3.03
Madhu Kothari	22.94	6.40
Savitri Devi	0.00	0.38
Naveen Behl HUF	0.00	15.00
Tamanna Kothari	19.90	0.00
	245.60	**256.83**
From Director		
Naveen Behl	5.00	0.00
	5.00	**0.00**
	250.60	**256.83**
Total	**578.95**	**551.66**

Installments falling due in respect of all the above loans in next 12 months & overdue balance, if any, have been grouped under "Current Maturities of Long Term Debts" under Note Short-Term Borrowings.

(All amounts in INR Millions, unless otherwise stated)

Note 14.2 Nature of Security and terms of repayment for Long Term secured borrowings:

Note 14.2.1 Repayment of Term Loan

a) BANK LOANS

PARTICULARS	Sanctioned Amount	Terms of Repayment	Rate of Interest as of March 2026
Axis Bank	100	Repayable in 72 Monthly installments. 71 Instalments of Rs 1.4 million each commencing from April 2024 and Last installment of Rs 0.6 million due in March 2030.	7.25%
Axis Bank	100	Repayable in 84 Monthly installments. 83 Instalments of Rs 1.2 million each commencing from June 2025 and Last installment of Rs 0.4 million due in May 2032.	7.25%
Federal Bank (ECLGS)	15	Repayable in 47 Monthly installments of 0.37 million each and 1 installment of Rs 0.38 (Including Interest) each commencing from January 2021 . Last installment due in June, 2028.	8.23%
Hdfc Bank	78.5	Repayable in 60 Monthly installments of Rs 1.31 million each commencing from April 2022 . Last installment due in march 2027.	7.44%
Hdfc Bank (ECLGS)	57.69	Repayable in 48 Monthly installments of Rs 1.20 million each commencing from May 2024. Last installment due in April 2028.	9.00%
Hdfc Bank	21.5	Repayable in 59 Monthly installments of Rs 0.36 million each commencing from May 2022. Last installment due in march 2027.	7.44%
Hdfc Bank	31.5	Repayable in 20 Quarterly installments of Rs 1.57 million each commencing from April 2023. Last installment due in Jan, 2028.	7.44%
Hdfc Bank	68.5	Repayable in 20 Quarterly installments of Rs 3.42 million each commencing from April 2023. Last installment due in Jan, 2028.	7.44%
Hdfc Bank	100	Repayable in 20 Quarterly installments of Rs 5 million each commencing from December 2023. Last installment due in September, 2028.	7.46%
Hdfc Bank	100	Repayable in 20 Quarterly installments of Rs 5 million each commencing from Feb 2026. Last installment due in November, 2030.	7.75%
Bajaj Finance	50	Repayable in 62 Monthly installments of Rs 1 million each (Including Interest) and 1 installment of 1.41 million (Including interest) commencing from Sep-2022 . Last installment due in Nov-2027.	9.50%
Bajaj Finance	100	Repayable in 60 Monthly installments of Rs 2.05 million (Including Interest) each and 1 installment of 1.87 million (Including Interest) commencing from July 2023 . Last installment due in July 2028.	9.10%

b) VEHICLE LOANS

HDFC BANK:		
Innova (JG-7787)	Repayable in 39 Monthly installments of Rs 0.07 million each commencing from December 2023. Last installment due in February 2027.	8.55%
Innova (JI-4748)	Repayable in 39 Monthly installments of Rs 0.09 million each commencing from May 2024. Last installment due in July 2027.	9.35%
Creta	Repayable in 39 Monthly installments of Rs 0.05 million each commencing from March 2024. Last installment due in May 2027.	9.35%
UBOI BANK:		
BYD EV	Repayable in 36 Monthly installments of Rs 0.16 million each commencing from June 2024. Last installment due in May 2027.	8.90%
Innova	Repayable in 36 Monthly installments of Rs 0.09 million each commencing from September 2024. Last installment due in August 2027.	9.00%
AXIS BANK:		
Commercial Vehicle	Repayable in 36 Monthly installments of Rs 0.07 million each commencing from July 2023. Last installment due in June 2026.	9.10%
Bank of India:		
BMW	Repayable in 60 Monthly installments of Rs 0.34 million each commencing from September 2025. Last installment due in August 2030.	7.85%
UCO BANK:		
Toyota Vellfire	Repayable in 36 Monthly installments of Rs. 0.37 million each commencing from January 2026. Last installment due in December 2028	7.50%

(All amounts in INR Millions, unless otherwise stated)

Note 14.2.2 Nature of Security

a) BANK LOANS

(I) Entire movable fixed assets including plant & machinery have been secured by way of First Pari-Passu charge.

(II) Term Loans (other than ECLGS) from Axis Bank,Federal Bank, Bajaj Finance & HDFC Bank has been secured by way of 1st parri passu charge on fixed assets of the company including equitable mortgage of following factory Land & Buildings.

(i) C-3, Focal Point, Ludhiana,
(ii) D-1, Focal Point, Ludhiana
(iii) C-20, Focal Point, Ludhiana
(iv) E-2, Focal Point, Ludhiana
(v) SF-494, Kothakondapally Village, Hosur Taluk, Krishangiri Distt. Tamil Nadu.
(vi) Survey No. 339/2 & 344/2, Onnalavadi Village, Hosur Taluk, Krishnagiri District, Tamil Nadu.

2nd Parri passu charge in favour of term lenders on entire current assets including inventories, book debts & other receivables.

(III) 2nd Parri Passu charge on existing securities.

b) VEHICLE LOANS
Vehicle Loans are secured by way of Hypothecation of Vehicles.

Note (15) Lease Liabilities

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Lease Liability (Non-Current)	3.24	3.63
Lease Liability (Current)	0.38	0.93
Total	**3.62**	**4.56**

(i). Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate on the date of transition.
(ii). The ROU assets were recognized at an amount equal to the lease liability or adjusted for prepayments and lease incentives. (Refer note m to the material accounting policies)
(iii).The adoption did not have a material impact on the net assets and equity of the Company.

Incremental Borrowing Rate was assessed by the Management at the rate of 8% per annum for the Year ended March 31, 2026

Note 15.1 Movements of Lease Liabilities during the year

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Opening Balances	4.56	5.77
Finance Charges	0.32	0.42
Less: Repayment towards lease liabilities	1.26	1.63
Balances at the end of year	**3.62**	**4.56**

NOTE (16) Deferred Tax Liabilities
Major components of deferred tax balances consists of the following :

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(a) Deferred Tax Liabilities (net)		
(i) Property Plant and Equipment	19.86	19.67
(ii) Change in Fair Value of Investment	0.31	0.45
	20.17	**20.12**
(b) Deferred Tax Assets (net)		
(i) Provision for Gratuity	4.66	4.14
(ii) Remeasurement of Defined Benefit Plans	0.29	0.69
(iii) Difference in Lease liability and Right of use Asset	0.08	0.08
	5.04	**4.91**
Total	**15.13**	**15.22**

Note (17) Long-Term Provisions

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Gross Provision for Gratuity (Present Value of Defined Benefit Obligation)	18.53	16.44
Add/(Less): Remeasurement on Defined Benefit Plan (Income)/Loss	1.16	2.72
Total	**19.69**	**19.16**

(All amounts in INR Millions, unless otherwise stated)

Note (18) Borrowings

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Detail of Short Term Borrowings:-		
Secured		
Working Capital Loans		
(i) From Banks		
Hdfc Bank-WCDL	0.00	100.00
Axis Bank-WCDL	0.00	45.00
CC- Hdfc Bank	101.12	0.00
CC-Axis Bank	179.56	0.00
(ii) From Financial Institutions		
Bajaj Finance WCDL	170.00	150.00
(Secured by way of first pari passu charge in favour of company's Bankers on entire current assets of the company including stocks and receivables of the company.)		
(Secured by way of Second pari passu charge on all movable fixed assets including plant & machinery and by way of equitable mortgage on land & building as mentioned in Note No. 14.2.2.)		
(ii) Current Maturities of Long term Debt	173.34	172.17
Total	**624.01**	**467.17**

***Refer Note 47 "Practical Constraints in EIR Computation" annexed to the Financial Statements**

Note (19) Trade Payables

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Trade Payables		
- Due to Micro & Small Enterprises	124.44	101.38
- Others	590.17	489.99
Total	**714.61**	**593.19**

(The space has been left blank intentionally)

(All amounts in INR Millions, unless otherwise stated)

Note 19.1 Trade Payables Ageing Schedule

Outstanding for the Year Ended March 31, 2026

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	124.44	0.00	0.00	0.00	0.00	**124.44**
Others	584.45	4.21	0.32	0.73	0.46	**590.17**
Total	**708.88**	**4.21**	**0.32**	**0.73**	**0.46**	**714.61**

Outstanding for the Year Ended March 31, 2025

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	101.38	0.00	0.00	0.00	0.00	**101.38**
Others	441.90	44.19	0.68	3.07	0.16	**489.99**
Total	**543.28**	**44.19**	**0.68**	**3.07**	**0.16**	**591.37**

(All amounts in INR Millions, unless otherwise stated)

Note (20) Other Financial Liabilities

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(a) Creditors for Capital Goods		
- Due to Micro & Small Enterprises	3.59	8.76
- Others	13.44	89.62
(b) Interest Payable	5.10	3.14
Measured at Fair Value through Profit or Loss		
Derivative Financial Instruments	0.00	0.25
Total	**22.14**	**101.78**

Note (21) Other Current Liabilities

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(i) Statutory Remittances	39.13	76.46
(ii) Contract Liabilities*	5.21	5.61
(iii) Others payables (Expenses Payable)	135.35	142.00
Total	**179.69**	**224.06**

* Contract Liabilities are received on contracts entered with customers for which performance obligations are yet to be performed, therefore, revenue will be recognised when the goods are pass on to the customers.

Note (21.1) Movement of Contract Liabilities

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Opening Contract Liabilities	5.61	0.08
Less: Amount recognised in revenue	5.61	0.08
Add: Amount received in advance	5.21	5.61
Closing Contract Liabilities	**5.21**	**5.61**

Note (22) Short-term Provisions

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
(a) Provision for Employee Benefits:		
(i) Provision for Bonus	53.62	42.75
(ii) Leave with Wages	14.45	11.86
(b) Provision for Taxation (Net of Prepaid Taxes)	12.96	18.64
Total	**81.03**	**73.25**

Note (23) Revenue from Operations

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Sale of Goods	8,732.36	7,085.98
Other Operating Revenues	485.22	418.66
Total	**9,217.58**	**7,504.64**

Note 23.1 Ind AS 115 "Revenue from Contracts with Customers" applies with limited exceptions, to all revenue arising from contracts with its customers. The company adopted Ind AS 115 using the modified retrospective method of adoption which does not require restatement of comparative year. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 23.2 The company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Note 23.3 Particulars of sales of Products

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(i)Manufacturing Sales		
Indigeneous	8,066.66	6,711.50
Export	665.70	374.47
Total - Sale of manufactured goods	**8,732.36**	**7,085.98**
(ii) Other operating revenues comprise:		
Sale of Scrap	469.62	409.53
Duty drawback and other export incentives	15.60	9.13
	485.22	418.66
Total - Other operating revenues	**485.22**	**418.66**

(All amounts in INR Millions, unless otherwise stated)

Note 23.4 The company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit or loss.

Note (24) Other income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(a) Interest income comprises:		
Interest from Banks	0.02	0.02
Interest on Loans and Advances	2.67	11.09
Interest on Lease Recievable	0.00	0.10
Other interest	2.39	2.46
Total - Interest income *	**5.08**	**13.67**
(b) Other Non Operating Income		
Profit on Sale of Property, Plant & Equipment	6.12	1.49
Misc Income	0.05	0.06
Incentive received	0.12	0.11
Rent Received	2.63	0.10
Rebate & Discount	0.00	0.93
Gain on change in Fair Value of Investments	0.00	0.04
Profit/loss on cancellation/Modification of lease	0.04	0.00
Notice Period Salary/Wages	0.73	1.07
Profit from Forward Contracts	0.02	0.00
Freight Received on Behalf of Kothari Exports	2.75	3.23
Less: Freight Transfered to Kothari Exports	(2.75)	(3.23)
Total - Other Non-Operating Income	**9.70**	**3.80**
Total	**14.78**	**17.47**

***Refer Note 47 "Practical Constraints in EIR Computation" annexed to the Financial Statements**

Note (25) Cost of Materials Consumed

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Opening stock	266.36	226.24
Add: Purchases	5,028.56	4,068.33
Less: Closing Stock	298.26	266.36
Total	**4,996.65**	**4,028.21**

Note (26) Changes in Inventories of finished goods, work-in-progress and stock-in-trade

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Inventories at the beginning of the year:		
Finished goods	103.65	73.81
Work-in-progress	522.88	488.83
	626.53	562.65
Inventories at the end of the year:		
Finished goods	64.73	103.65
Work-in-progress	625.92	522.88
	690.65	626.53
Net (increase) / decrease	**(64.12)**	**(63.89)**

Note (27) Employee Benefits Expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Salaries and Wages	1,158.84	923.31
Contributions to Provident and other Funds	70.14	57.62
Staff Welfare Expenses	72.46	63.27
Gratuity	23.50	20.42
Total	**1,324.93**	**1,064.62**

The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes, collectively referred to as the ‘New Labour Codes’, and notified with effect from November 21, 2025. Based on the analysis of the information available so far, including actuarial evaluation, the Company has assessed the impact of the New Labour Codes and concluded that there is no financial impact on post-employment defined benefits or the financial statements as at the reporting date. The Company continues to monitor developments relating to the implementation of the New Labour Codes and will review its assessment as further clarifications and Rules are notified.

(All amounts in INR Millions, unless otherwise stated)

Note 27.1 Employee Benefits Expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(a) Salaries and wages includes		
Salaries & Allowances		
Salaries	275.35	227.90
H.R.A	1.95	1.79
Conveyance Allowance	8.59	7.36
Washing Allowance	0.01	0.01
Wages & Allowances		
Wages	722.99	555.00
H.R.A	28.28	25.02
Conveyance Allowance	18.67	16.08
Washing Allowance	0.12	0.09
Other Benefits		
Director's Remuneration	31.29	31.36
Bonus	56.16	45.75
Leave With Wages	15.00	12.70
Medical Aid	0.43	0.25
	1,158.84	**923.31**
(b) Contributions to provident and other funds includes		
Provident Fund	54.12	44.33
Labour Welfare Fund	0.64	0.54
E.S.I	14.34	11.79
National Pension Scheme	1.04	0.97
	70.14	**57.62**
(c) Staff welfare expenses includes		
Labour Welfare	29.33	17.95
Staff Welfare	2.10	1.46
Canteen Expenses	2.99	2.73
Festival Expenses	4.42	3.62
Staff Insurance	23.85	25.60
Premium Renewal Expenses	0.76	0.68
Employees Compensation Expenses	0.12	0.12
Staff Recruitment & Training	8.89	11.11
	72.46	**63.27**

Note (28) Finance Costs

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(a) Interest expense on:		
(i) Borrowings *	115.35	138.90
(ii) Others	4.15	0.00
(iii) Lease Liability	0.32	0.42
(b) Bank charges	0.15	0.68
(c) Net loss on Foreign Currency Transactions & Translation	3.32	(2.67)
	123.30	**137.33**
Less : Interest Capitalized on Fixed Assets & Capital Advances	23.11	15.92
Total	**100.19**	**121.41**

***Refer Note 47 "Practical Constraints in EIR Computation" annexed to the Financial Statements**

Note 28.1 Finance Costs

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(a) Interest on Borrowing includes:-		
Interest on Term Loan	43.15	48.77
Interest on Working Capital Borrowings	60.41	78.41
Interest on Car Loans	1.87	1.39
Interest on Commercial Vehicle Loans	0.05	0.12
Interest on Unsecured Loans	9.86	10.22
Total	**115.35**	**138.90**

Note (29) Depreciation & Amortization Expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Depreciation on Property, Plant & Equipment	229.41	227.82
Depreciation on Right of Use Asset	0.94	1.30
	230.36	229.11
Amortisation on Intangible Assets	1.12	0.85
Total	**231.48**	**229.96**

(All amounts in INR Millions, unless otherwise stated)

Note (30) Other Expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(i) Manufacturing Expenses		
Stores & Spare Consumed	638.59	511.66
Power & Fuel	457.14	391.77
Testing, Inspection & segregation charges	4.26	7.83
Job Work	425.47	354.55
Repair to Machinery	140.83	102.95
Repair to Electricals	14.96	9.65
Sub Total	**1,681.25**	**1,378.41**
(ii) Selling and Distribution Expenses		
(a) Freight and Forwarding		
Truck Expenses	12.24	9.89
Freight, Cartage & Octroi Outwards	236.16	200.73
Packing & Forwarding	70.57	51.56
Warehousing Charges	0.85	0.56
(b) Business Promotion		
Business Promotion	4.15	3.33
Advertisement Expenses	0.19	0.10
Sub Total	**324.17**	**266.17**
(iii) Administrative Expenses		
Car Conveyance	1.70	1.80
Club Expenses	0.02	0.02
Conveyance	0.11	0.14
Cost Audit Fees	0.06	0.06
CSR Expenses (Refer Note 31)	7.81	4.42
Donation	2.69	0.38
E-Mail & Internet	1.45	1.45
Fine & Penalty	1.13	0.07
Fire Extinguisher Expenses	0.85	0.60
Ground Water Extraction Charges	0.27	0.28
Insurance	23.84	20.12
Legal & Professional Charges	10.93	6.50
Loss on Fair Valuation of Investment	0.55	0.00
Loss on Derivative Instruments	0.00	1.94
Miscellaneous Expenses	4.71	3.33
Mobile Phone Expenses	0.26	0.36
News Paper Books & Periodicals	0.04	0.02
Petrol Expenses	0.01	0.00
Postage & Stamps	0.27	0.29
Professional Tax	0.01	0.00
Q.S/ISO Expenses	0.07	0.47
Rates Fee & Taxes	2.54	2.81
Rent Account	5.08	3.52
Rebate & Discount	0.14	0.00
Safety Expenses	0.19	0.28
Scooter Conveyance	0.15	0.14
Security Expenses	3.17	3.90
Shifting Charges	2.04	1.69
Stationery & Printing	4.07	3.55
Subscriptions	0.42	0.38
Sundry Balances Written Off	0.08	0.01
Software Expenses	3.73	2.66
Sitting fees Director	0.92	0.00
Telephone Expenses	0.18	0.18
TPM Expenses	4.66	1.98
Travelling Expenses	20.23	25.73
Water & Sewerage Charges	0.35	0.19
Water Disposal Charges	0.74	0.00
Payment to Auditors	0.25	0.20
Repairs		
Building	30.47	17.90
Others	12.94	8.79
Sub Total	**149.10**	**116.15**
Grand Total	**2,154.52**	**1,760.72**

(All amounts in INR Millions, unless otherwise stated)

Note 30.1 Payments to Auditors :-

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Auditors Fee		
Statutory Audit Fees	0.20	0.16
Tax Audit Fees	0.05	0.04
Total	**0.25**	**0.20**

Note 30.2 Value of Consumption of Spare Parts & Power & Fuel

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
CONSUMABLE STORES & SPARES		
Opening Stock	82.10	50.35
Consumable Stores	68.53	60.17
Purchase Cutting Tools	361.63	269.80
Tools & Dies	112.55	102.21
Lubricants	132.39	111.23
	757.21	593.76
Less: Closing Stock	118.62	82.10
Sub Total	**638.59**	**511.66**
POWER AND FUEL		
Opening Stock	2.63	2.51
Furnace Oil	0.00	0.00
Gas (LPG)	66.59	65.04
Electricity Expenses	361.76	306.29
Diesel	29.54	20.56
	460.51	394.40
Less: Closing Stock	3.38	2.63
Sub Total	**457.14**	**391.77**
Repair to Machinery		
Opening Stock	51.79	49.51
Repair to Machinery	155.94	105.22
	207.73	154.74
Less: Closing Stock	66.90	51.79
Sub Total	**140.83**	**102.95**
Repair to Electricals		
Opening Stock	8.13	4.89
Repair to Electricals	14.73	12.89
	22.86	17.78
Less: Closing Stock	7.90	8.13
Sub Total	**14.96**	**9.65**
Packing & Forwarding Expenses		
Opening Stock	3.11	1.66
Packing & Forwarding	72.44	53.01
	75.55	54.67
Less: Closing Stock	4.98	3.11
Sub Total	**70.57**	**51.56**

Note 30.3 Value of Repairs - Others

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Repair to Furniture	0.46	0.28
Repiar to Air Conditioner	1.08	0.76
Repair to Car	1.35	1.48
Repair to Computer	1.05	0.77
Repair to Cooler	0.11	0.23
Repair to Crane	0.04	0.02
Repair to Close Circuit T.V.	0.32	0.26
Repair to Fan	0.28	0.15
Repair to Lifter	3.01	1.69
Repair to Mobile Fan	0.01	0.02
Repair to Motor Cycle	0.03	0.02
Repair to Photo State Machine	0.02	0.02
Repair to Scooter	0.03	0.04
Repair to Telephone & PBX	0.04	0.07
Repair to Weighing Scale	0.33	0.17
Repair to Water Cooler	0.03	0.05
Repair to U.P.S	0.67	0.45
Repair to Miscellaneous	0.41	0.37
Repair to Crate & Trolley	2.94	1.66
Repair & Maintenance (R & D)	0.73	0.29
Sub Total	**12.94**	**8.79**

(All amounts in INR Millions, unless otherwise stated)

Note (31) Corporate Social Responsibility (as per section 135 of the Companies Act, 2013 read with Schedule VII there of)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsiility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR Committee has been formed by the company as per the act. The fund were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013. The details are as under :-

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(a) Gross amount required to be spent by the Company	5.83	4.49
(b) Amount of expenditure incurred	7.81	4.42
(i) Construction/Acquisition of assets		
(ii) On purposes other than (i) above	7.81	4.42
Unspent Amount	(1.99)	0.07
Amount adjusted with excess amount spent b/f from previous years	0.19	0.26
Excess spent amount carried forward in next year	2.18	0.19

Note (32) Income Tax Expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
(a) Current Tax:		
Current Year	119.00	95.00
Less/Add: Adjustments for current tax of prior periods	0.06	0.00
Total (a)	119.06	95.00
(b) Deferred Tax:		
Deferred tax recognised in statement of profit or loss	(0.48)	(4.08)
Deferred Tax recognised in other comprehensive income	0.39	0.43
Total (b)	(0.08)	(3.64)
Total Tax expense (a+b)	**118.98**	**91.36**

Note 32.1 Reconciliation of Effective Tax Rate

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Profit Before Tax	488.70	381.07
Applicable Tax Rate (enacted tax rate in India)	25.17%	25.17%
Expected Income Tax expense at statutory tax rate	123.00	95.91
Tax effect of:		
Expenses not deductible for tax purposes	0.26	0.44
Expenses deductible for tax purposes	(0.34)	(4.09)
Other Items	(3.93)	(0.91)
Tax expense for the year	118.98	91.36
Effective Tax Rate	24.35%	23.97%

Note (33) Earning Per Share

Basic earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of equity shares outstanding for the year. Diluted earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of shares and diluted potential equity shares outstanding for the year.

The following table reflects the income and share data used in the basic and diluted EPS computations

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Face value of Equity Shares (Rs.5 per share)		
Profit attributable to equity shareholders (A)	370.11	290.15
Equity shares at the beginning of the year	4,59,75,360	4,59,75,360
Weighted average number of equity shares for basic EPS (B)	4,59,75,360	4,59,75,360
Basic EPS (Amount in Rs.) (A/B)	**8.05**	**6.31**
Effect of Dilution:		
Weighted average number of potential equity shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	4,59,75,360	4,59,75,360
Diluted EPS (Amount in Rs.)	**8.05**	**6.31**

(i) The company does not have any potential equity shares, thus weighted average number of equity shares for computation of basic and diluted EPS remains same.
(ii) During the Year ended March 31, 2026 company has sub divided the face value of Equity shares from Rs.10/- each to Rs.5/- each.

(iii) During the Year ended March 31, 2026 the company has issued bonus shares without consideration. The weighted average number of shares for the year ended March 31, 2025 have been adusted to reflect the impact of bonus share and sub division.

(All amounts in INR Millions, unless otherwise stated)

Note (34) Derivative Financial Instruments

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Held to Maturity		
Fair Value through Profit or Loss		
Derivative Financial Liabilities	0.00	0.25

Forward Contracts are measured at fair value. Amount represents unrealised gain/loss on forward contract booked for the purpose of hedging risk towards foreign currency exposures of company during the year.

Note 34.1 Derivative Financial Liabilities

Details of Outstanding Forward Contracts as at March 31,2025

Booking Date	Maturity Date	Notional Amount	Fair Value
21-10-2024	23-04-2025	33.95	0.25

Derivatives not designated as Hedging Instruments:

The Company uses foreign exchange forward contracts to manage its exposure to risks associated with foreign currency. These derivative contracts are not designated as hedging instrument in cash flow hedge and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward contracts.

All derivative contracts are recognised on the balance sheet and measured at fair value. Accounting method applied is as per Ind AS-109. Gain/loss arising on account of fair value changes are routed through profit or loss instead of other comprehensive income.

The following table includes the maturity profile of the foreign exchange derivatives as at March 31, 2025 contracts:

	Maturity			
Particulars	**1 to 6 months**	**6 to 12 months**	**12 to 24 months**	**Total**
AS AT MARCH 31, 2025				
Foreign Exchange Derivative Contract				
Notional Amount (in USD)	0.40	0.00	0.00	**0.40**

Average Forward Rate (USD/INR) 85.50

Note (35) Fair Value Measurements

(i) Financial Instruments by category

The details of siginificant accounting policies, including crieteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability disclosed.

AS AT MARCH 31, 2026

a) Financial Assets

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Investments	0.00	3.75	0.00	**3.75**
(ii) Other Financial Assets	0.00	0.00	80.04	**80.04**
(iii) Trade Receivables	0.00	0.00	377.30	**377.30**
(iv) Cash & Cash Equivalents	0.00	0.00	12.33	**12.33**
(v) Other Balances with Banks	0.00	0.00	0.50	**0.50**
(vi) Lease Receivables	0.00	0.00	0.00	**0.00**
(viii) Loans & Advances	0.00	0.00	58.47	**58.47**

b) Financial Liabilities

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Non Current Borrowings	0.00	0.00	578.95	**578.95**
(ii) Lease Liabilities	0.00	0.00	3.62	**3.62**
(iii) Current Borrowings	0.00	0.00	624.01	**624.01**
(iv) Trade Payables	0.00	0.00	714.61	**714.61**
(iv) Other Financial Liabilities	0.00	0.00	22.14	**22.14**

AS AT MARCH 31, 2025

a) Financial Assets

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Investments	0.21	2.30	0.00	**2.51**
(ii) Other Financial Assets	0.00	0.00	52.55	**52.55**
(iii) Trade Receivables	0.00	0.00	399.56	**399.56**
(iv) Cash & Cash Equivalents	0.00	0.00	73.87	**73.87**
(v) Other Balances with Banks	0.00	0.00	0.48	**0.48**
(vi) Lease Receivables	0.00	0.00	0.00	**0.00**
(viii) loans & Advances	0.00	0.00	17.80	**17.80**

(All amounts in INR Millions, unless otherwise stated)

b) Financial Liabilities
Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Non Current Borrowings	0.00	0.00	551.66	**551.66**
(ii) Lease Liabilities	0.00	0.00	4.56	**4.56**
(iii) Current Borrowings	0.00	0.00	467.17	**467.17**
(iv) Trade Payables	0.00	0.00	591.37	**591.37**
(iv) Other Financial Liabilities	0.00	0.00	101.78	**101.78**

The carrying amounts of trade receivables, trade payable, cash & cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair value.

(ii) Fair Value Heirarchy

This section explains the judgements and estimates made in determining fair values of the financial instruments that are:
To provide an indiaction about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Ind AS 113 which are as below:

Level 1: It includes financial instruments measured at using quoted prices and the mutual funds are measured at closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.
If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(iii) Valuation Technique used to determine fair value

a) The fair value of investments in mutual fund units is based on the Net Asset Value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which issuers will redeem such units from the investors.

b) The fair value of investments in unqouted equity shares is based on the Net Asset Value (NAV) of the equity shares of such companies i.e. book value/Net Worth of the Companies.

c) the fair value of forward exchange contracts is determined using forward exchange rates at the balance sheet date.

d) the fair value of interest-bearing borrowings & loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of reporting year.

e) the fair value of the remaining financial instruments is determined using discounted cash flow analysis using rates currently available for debt on similar terms, credit risk & remaining maturities.

The below table summarises the categories of financial assets and financial liabilities as at March 31, 2026 are as follows:

As At March 31, 2026	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Investments in Mutual Funds	3.75	0.00	0.00	**3.75**
Financial Assets at Fair Value through OCI				
Investments in Unquoted Equity Shares	0.00	0.00	0.00	**0.00**
Financial Liabilities at Fair Value through Profit or Loss	0.00	0.00	0.00	**0.00**

The below table summarises the categories of financial assets and financial liabilities as at March 31, 2025 are as follows:

As At March 31, 2025	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Investments in Mutual Funds	2.30	0.00	0.00	**2.30**
Financial Assets at Fair Value through OCI				
Investments in Unquoted Equity Shares	0.00	0.00	0.21	**0.21**
Financial Liabilities at Fair Value through Profit or Loss				
Derivative Financial Liabilities	0.00	0.25	0.00	**0.25**

(All amounts in INR Millions, unless otherwise stated)

Note (36) Assets and Liabilities relating to Employee Benefits as per IND-AS 19
See Accounting policy in note 1
For details about the related employee benefit expenses see note 42

A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contributions plans are as detailed below:

Particulars	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Provident Funds and Other Funds	54.12	44.33
ESIC	14.34	11.79
Labour Welfare Fund	0.64	0.54
National Pension Scheme	1.04	0.97
Total	**70.14**	**57.62**

B. Defined Benefit Obligation:

Background:

Gratuity is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by the enterprise.

The Net Defined Benefit Liability/(Asset) is the Net (Surplus)/Deficit in the plan netted off by effect of Asset Ceiling, if any. It is arrived by deducting Fair Value of Plan Assets from the Defined Benefit Obligation as on the date of valuation.

As required under para 67 of Ind-AS 19 actuarial valuation is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are to be considered for valuation. present value of defined benefit obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and project the benefit till the time of retirement of each active member using assumed rates of salary escalation, mortality and employee turnover rates. The expected benefit payments are then discounted back from the future date of payment to the date of valuation using the assumed discount rate.

Service Cost is calculated seperately in respect of benefit accured during the current period using the same method as described above. However, instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Recognition of Actuarial Gains/Losses

All the remeasurements, comprising of actuarial gains/losses on DBO & Fair value of assets, arising during the reporting period have been recognized in full through outside of Profit & Loss account through Other Comprehensive Income.

Discount Rate:

Discount Rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep & secondary bond market in India, government bond yields are used to arrive at the discount rate.

Risk Posed by the Plan

Gratuity is a multiple of last drawn salary paid at the time of retirement/resignation/death. The actuarial risk i.e. unusual (typically high) salary growth or turnover rate can increase the cost of providing the benefit. It can also alter timing of cashflows. This risk is borne by the employer. Gratuity is paid as lumpsum and hence there is no longevity risk involved.

Various Risk Exposures
Salary escalation rate
More than expected increase in the future salary levels may result in increase in the liability

Employee Turnover rate/Withdrawal rate
If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase in the liability

Mortality / Disability
If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase in the liability

Discount Rate
In case the yield on the government bonds drops in the future period then it may result in increase in the liability

Investment Risk
If the plan is funded then in case the actual return on the plan assets drops in the future period it may result in increase in the liability. There is also a risk of asset liability matching i.e. the cashflow for plan assets does not match with cashflow for plan liabilities.

Asset Information
The scheme is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Company.

Funding Requirements
Currently there are no minimum funding requirements in India. The investments made by the trust are regulated by the Income Tax Act. The enterprise and the trustees should ensure compliance with the provisions of the said act.

Amount Recognised in the Statement of Financial Position at the Year End.	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Gross Present Value of Defined Benefit Obligation	202.15	174.87
Fair Value of Plan Assets	182.47	155.71
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	**19.69**	**19.16**

Net Defined Benefit Cost/(Income) included in the Statement of Profit & Loss at the Year End	FOR THE YEAR ENDED MARCH 31, 2026	FOR THE YEAR ENDED MARCH 31, 2025
Service Cost	23.44	20.48
Net Interest Cost	0.05	(0.06)
Past Service Cost	0.00	0.00
Administration Expenses	0.00	0.00
(Gain)/Loss due to Settlement/ Curtailments/ Terminations/ Divestitures	0.00	0.00
Total Defined Benefit Cost/(Income) included in the Statement of Profit & Loss at the Year End	**23.50**	**20.42**

(All amounts in INR Millions, unless otherwise stated)

Current/ Non-Current Bifurcation	**AS AT MARCH 31, 2026**	**AS AT MARCH 31, 2025**
Current Benefit Obliagtion	119.53	59.74
Non-Current Benefit Obligation	82.63	115.14
(Asset)/ Liability Recognised in the Balance Sheet	**202.15**	**174.87**

Actual Return on Plan Assets	**AS AT MARCH 31, 2026**	**AS AT MARCH 31, 2025**
Interest Income on Plan Assets	10.04	9.54
Remeasurements on Plan Assets	0.58	0.98
Total Return on Plan Assets	**10.62**	**10.53**

Analysis of Amounts Recognised in Other Comprehensive (Income)/ Loss at Year End	**FOR THE YEAR ENDED MARCH 31, 2026**	**FOR THE YEAR ENDED MARCH 31, 2025**
Amounts recognised in OCI Beginning of Year	10.05	7.32
Remeasurements due to:		
Effect of Change in Financial Assumptions	2.29	3.23
Effect of Change in Demographic Assumptions	(9.79)	0.00
Effect of Experience Adjustments	9.23	0.48
(Gain)/ Loss on Curtailments/ Settlements	0.00	0.00
Return on Plan Assets (excluding interest)	(0.58)	(0.98)
Changes in Asset Ceiling	0.00	0.00
Total Remeasurements recognised in OCI	1.16	2.72
Amount Recognised in OCI End of Year	**11.21**	**10.05**

Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income	**FOR THE YEAR ENDED MARCH 31, 2026**	**FOR THE YEAR ENDED MARCH 31, 2025**
Amount recognised in P&L End of Year	23.50	20.42
Amount recognised in OCI End of Year	1.16	2.72
Total Net Defined Benefit Cost/(Income) recognised at Year End	**24.66**	**23.14**

Change in the Unrecognised Asset due to Asset Ceiling during the Year	**FOR THE YEAR ENDED MARCH 31, 2026**	**FOR THE YEAR ENDED MARCH 31, 2025**
Unrecognised Asset Beginning of the Year	0.00	0.00
Interest on unrecognised Asset Recognised in P & L	0.00	0.00
Other changes in Unrecognised Asset due to Asset Ceiling	0.00	0.00
Unrecognised Asset End of Year	0.00	0.00

Change in Defined Benefit Obligation during the Year	**FOR THE YEAR ENDED MARCH 31, 2026**	**FOR THE YEAR ENDED MARCH 31, 2025**
Defined Benefit Obligation Beginning of Year	174.87	150.25
Net Current Service Cost	23.44	20.48
Interest Cost on DBO	10.10	9.49
Actual Plan Participants' Contributions	0.00	0.00
Actuarial (Gains)/Losses	1.73	3.71
Chnages in Foreign Currency Exchange Rates	0.00	0.00
Acquisition/ Business Combination/ Divestiture	0.00	0.00
Benefits Paid	(8.00)	(9.05)
Past Service Cost	0.00	0.00
Losses/ (Gains) on Curtailments/ Settlements	0.00	0.00
Defined Benefit Obligation End of Year	**202.15**	**174.87**

Change in Fair Value of Plan Assets during the Year	**FOR THE YEAR ENDED MARCH 31, 2026**	**FOR THE YEAR ENDED MARCH 31, 2025**
Fair Value of Plan Assets Beginning of Year	155.71	134.62
Interest income Plan Assets	10.04	9.54
Actual Company Contributions	24.13	19.62
Actual Plan Participants' Contributions	0.00	0.00
Actual Taxes paid	0.00	0.00
Actual Administration Expenses Paid	0.00	0.00
Changes in Foreign Currency Exchange Rates	0.00	0.00
Actuarial Gains/ (Losses)	0.58	0.98
Benefits Paid	(8.00)	(9.05)
Acquisition/ Business Combination/ Divestiture	0.00	0.00
Assets extinguished on Curtailments/ Settlements	0.00	0.00
Fair Value of Plan Assets End of Year	**182.47**	**155.71**

Reconciliation of Balance Sheet Amount	**FOR THE YEAR ENDED MARCH 31, 2026**	**FOR THE YEAR ENDED MARCH 31, 2025**
Balance Sheet (Asset)/ Liability Beginning of Year	19.16	15.63
True-up	0.00	0.00
Total Charge/ (Credit) recognised in Profit and Loss	23.50	20.42
Total Remeasurements recognised in OC (Income)/ Loss	1.16	2.72
Acquisitions/ Business Combinations/ Divestitures	0.00	0.00
Actual Company Contribution/ Benefit Payouts Directly by the Company	(24.13)	(19.62)
Other Events	0.00	0.00
Balance Sheet (Asset)/ Liability End of Year	**19.69**	**19.16**

Financial Assumptions used to Determine the Defined Benefit Obligation	**AS AT MARCH 31, 2026**	**AS AT MARCH 31, 2025**
Discount Rate	6.08%	6.45%
Salary Escalation Rate	6.00%	6.00%

(All amounts in INR Millions, unless otherwise stated)

Financial Assumptions used to Determine the Profit & Loss Charge	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Discount Rate	6.08%	6.45%
Salary Escalation Rate	6.00%	6.00%
Expected Return on Plan Assets	6.08%	6.45%

Demographic Assumptions used to Determine the Defined Benefit Obligation	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Withdrawl Rate	50.00%	20.00%
Mortality Rate	IALM (2012-14) Ult	IALM (2012-14) Ult
Retirement Age	58 Years	58 Years

Asset Category	AS AT MARCH 31, 2026	AS AT MARCH 31, 2026	AS AT MARCH 31, 2026
	Quoted Value	Non-Quoted Value	Total
Government of India Securities (Central & State)	-	-	-
High Quality Corporate Bonds (including Public Sector Bonds)	-	-	-
Equity Shares of the Company	-	-	-
Insurer Managed Funds & T-bills	-	99.92%	99.92%
Cash (including Bank Balance, Special Deposit Scheme)	-	0.08%	0.08%
Others	-	-	-
Total		**100.00%**	**100.00%**

The scheme is funded through a Trust. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. The Trust also maintains a savings account and have also invested some amount in Mutual Funds. We have been provided with the total fund size of Rs.182.47 millions as of the valuation date.

Expected Contribution for the Next Year	01.04.2026-31.03.2027	01.04.2025-31.03.2026
Expected Contribution	31.67	38.27

Expected Cash Flows for the Next 10 Years	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Year- 2027	123.11	61.63
Year- 2028	46.44	26.95
Year- 2029	24.60	25.13
Year- 2030	12.97	20.91
Year- 2031	6.54	17.78
Year- 2032-2036	6.69	45.24

Defined Benefit Obligation by participant Status	Amount (Rs.)	Amount (Rs.)
a. Actives	202.15	174.87
b. Vested Deferreds	0.00	0.00
c. Retirees	0.00	0.00
Total	**202.15**	**174.87**

Sensitivity Analysis	Amount (Rs.)	Amount (Rs.)
Defined Benefit Obligation - Discount Rate + 100 basis points	(2.24)	(4.98)
Defined Benefit Obligation - Discount Rate - 100 basis points	2.32	5.38
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	2.81	5.35
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(2.74)	(5.21)
Defined Benefit Obligation - Attrition/Withdrawal + 100 basis points	(0.25)	(0.23)
Defined Benefit Obligation - Attrition/Withdrawal - 100 basis points	0.25	0.21

Methodology, Assumptions and Limitation in respect of Sensitivity Analysis

Sensitivity analysis is carried out by the PUCM method by changing only the respective assumption and keeping all other assumptions same as that used to estimate the liability. The impact given is the difference between the liability as on date of valuation and the liability if given assumption changes by the stated amount. The limitation of this method is that it considers the chnage in the respective assumption in isloation without affecting the other assumptions which in reality may not be the case. Nonetheless the methodlogy gives fair idea of the impact on the liability in case the given assumption changes.

(All amounts in INR Millions, unless otherwise stated)

Note (37) Contingent liabilities and commitments (to the extent not provided for):

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Contingent liabilities		
a) Claims against the Company not acknowledged as debt		
(i) # GST Demand (Net of deposit paid)	153.22	0.08
(ii) # Income Tax Demand *	2.87	2.80
# The above matters are subject to legal proceedings in the ordinary course of business. On the basis of current status of the cases and as per legal advice obtained, wherever applicable, along with the opinion of Management, when ultimately concluded will not have material effect on the results of operations or financial operations of the Company.		
* According to us Income Tax Demands shown on the portal is incorrect. We have also replied against the outstanding demand raised by the department for the removal of the said demand.		
(b) Bank Guarantees	2.12	0.00
(c) Other money for which the Company is contingently liable		
1. Letters of Credit,	0.00	0.00
2. Bills Discounted	596.03	526.95
Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
1. Tangible assets	0.00	0.00
2, Intangible assets	0.00	0.00
(b) Uncalled liability on shares and other investments partly paid	0.00	0.00
(c) Other commitments (specify nature)	0.00	0.00

Note (38) Value of imports calculated on CIF basis:

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Purchase of Raw Materials	0.46	0.37
Purchase of Tools & Dies	1.17	0.89
Purchase of Machinery	16.63	9.53
Purchase of Cutting Tools	0.29	0.00
Repair to Machinery	0.76	0.91

Note (39) Expenditure in Foreign Currency:

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Purchase of Raw Materials	0.45	0.36
Purchase of Tools & Dies	1.17	0.88
Advance Against Purchase of Tools & Dies	0.54	0.00
Purchase of Cutting Tools	0.28	0.00
Purchase of Machinery	16.71	8.95
Advance Against Purchase of Machinery	12.02	0.00
Staff Recruitment & Training	8.44	10.50
Travelling Expenses	6.32	9.34
Workspace Fees	0.91	0.32
Warehousing Charges	0.85	0.56
Job Work	0.00	0.05
Interest on Foreign Currency Loans-MTL	0.00	0.33
Repair to Machinery	0.74	0.90

Note (40) Details of consumption of imported and indigenous items:

PARTICULARS	AS AT MARCH 31, 2026		AS AT MARCH 31, 2025	
	% age	**Amount**	**% age**	**Amount**
Raw Material				
Indigenous	99.99	4,996.20	99.99	4,027.85
Imported	0.01	0.45	0.01	0.36
TOTAL	**100.00**	**4,996.65**	**100.00**	**4,028.21**
Stores & Spares				
Indigenous	99.77	637.14	99.83	510.79
Imported	0.23	1.45	0.17	0.88
TOTAL	**100.00**	**638.59**	**100.00**	**511.66**

Note (41) Earnings in Foreign Exchange:

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Export of goods calculated on FOB basis	631.24	365.33

(All amounts in INR Millions, unless otherwise stated)

Note (42) Related Party Disclosures:

Related Party Disclosure (as identified by the management) as required as per Indian Accounting Standard (Ind-AS 24) on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, is as below:

42.1 Related parties and their relationships as per IND AS 24:

	2025-26	2024-25
a) Key Managerial Personnel	Mr. Gopal Krishan Kothari (Chairman cum Managing Director)	Mr. Gopal Krishan Kothari (Chairman cum Managing Director)
	Mr. Naveen Behl (Whole Time Director)	Mr. Naveen Behl (Whole Time Director)
	Mr. Ashok Bansal (Chief Financial Officer) (w.e.f. August 2, 2025)	-
	Mr. Amit Verma (Company Secretary)	Mr. Amit Verma (Company Secretary) (w.e.f. November 11, 2024)
(b) Directors	Mr. Amit Kothari (Executive Director)	Mr. Amit Kothari (Executive Director)
	-	Manohar Lal Dhiman (Execitive Director) (Till December 14, 2024)
	Mr. Pankal Periwal (Independent Director)	Mr. Pankal Periwal (Independent Director) (w.e.f. December 19, 2024)
	Ms. Mohina (Independent Director)	Ms. Mohina (Independent Director) (w.e.f. December 19, 2024)
	Mr. Jatender Kumar Mehta (Independent Director) (w.e.f. April 29, 2025)	-
(c) Relatives of Key Managerial Personnel/Director	Nand Lal Kothari	Nand Lal Kothari
	Savitri Devi	Savitri Devi
	Madhu Kothari	Madhu Kothari
	Rakhi Oswal	-
	Mannat Kothari	Mannat Kothari
	Tamanna Kothari	Tamanna Kothari
	Amanat Kothari	Amanat Kothari
	Dr. Deepika Bansal	-
(d) Enterprises over which KMP/Director and their Relatives are able to exercise significant influence	G K Kothari & Sons	G K Kothari & Sons
	Amit Kothari-HUF	Amit Kothari-HUF
	Kothari Exports Inc.	Kothari Exports Inc.
	Micro Coaters	Micro Coaters
	Shaheed N Tundup Sewamedal Autocare	Shaheed N Tundup Sewamedal Autocare
	M/s Queen of Arts	M/s Queen of Arts
	Naveen Behl HUF	Naveen Behl HUF
	Pure Infratech	Pure Infratech
	Shiva Shakti Industries	Shiva Shakti Industries
	-	Oswal Industrial Enterprise Private Limited

42.2 The company' related party transactions during the year and outstanding balance as on March 31, 2026 are as below:-

Disclosures in Respect of Related Party Transactions during the year:

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Remuneration including Bonus & Leave with Wages		
Gopal Krishan Kothari	13.52	13.52
Amit Kothari	8.12	6.77
Naveen Behl	13.59	12.46
Manohar Lal Dhiman	0.00	2.53
Mannat Kothari	4.07	4.07
Madhu Kothari	4.07	4.07
Rakhi Oswal	0.94	0.00
Ashok Bansal	3.56	0.00
Amit Verma	0.68	0.23
Total	**48.55**	**43.65**

Interest Paid		
Gopal Krishan Kothari	2.33	0.00
Amit Kothari	1.04	0.37
Naveen Behl	0.10	0.00
Savitri Devi	0.03	0.05
Madhu Kothari	0.82	0.52
Mannat Kothari	1.41	0.09
Tamanna Kothari	0.76	0.00
Amanat Kothari	0.55	0.00
G K Kothari & Sons	0.76	7.13
Amit Kothari HUF	0.72	1.35
Naveen Behl HUF	0.36	0.71
Total	**8.88**	**10.22**

Sitting Fees		
Pankaj Periwal	0.44	0.00
Mohina	0.35	0.00
Jatender Kumar Mehta	0.13	0.00
Total	**0.92**	**0.00**

Sale of Land		
Gopal Krishan Kothari	0.00	5.50

(All amounts in INR Millions, unless otherwise stated)

Interest Income		
Oswal Industrial Enterprise Private Limited	0.00	10.48

Diesel Incentive Received		
Shaheed N Tundup Sewamedal Care	0.12	0.11

Freight Paid		
Kothari Exports Inc	89.97	93.93

Consultancy Charges		
Dr. Deepika Bansal	1.31	0.00

Rent Received		
Kothari Exports Inc.	2.40	2.40
Pure Infratech	0.06	0.05
Shiva Shakti Industries	0.05	0.05
Gopal Krishan Kothari	0.12	0.00
Total	**2.63**	**2.50**

Rent Paid		
Nand Lal Kothari	0.08	0.07
Tamanna Kothari	0.66	0.66
Total	**0.74**	**0.73**

Cost of Sweets		
M/s Queen of Arts	0.55	0.36

Staff Recruitment & Training		
Tamanna Kothari	3.09	3.79
Amanat Kothari	5.35	6.72
Total	**8.44**	**10.50**

Unsecured Loan Accepted		
Gopal Krishan Kothari	388.68	98.40
Amit Kothari	98.33	56.45
Naveen Behl	6.50	0.00
Madhu Kothari	33.46	4.55
Mannat Kothari	67.99	3.55
Tamanna Kothari	23.60	0.00
Amanat Kothari	11.25	0.00
G K Kothari & Sons	86.00	12.37
Amit Kothari HUF	7.07	1.00
Total	**722.87**	**176.32**

Unsecured Loan Granted		
Oswal Industrial Enterprise Private Limited	0.00	159.00

Unsecured Loan Received Back		
Oswal Industrial Enterprise Private Limited	0.00	159.00

Unsecured Loan Repayments		
Gopal Krishan Kothari	388.62	111.25
Amit Kothari	93.26	53.66
Naveen Behl	1.50	0.00
Savitri Devi	0.38	0.00
Madhu Kothari	16.91	1.20
Mannat Kothari	38.86	0.72
Tamanna Kothari	3.70	0.00
G K Kothari & Sons	157.26	0.36
Naveen Behl HUF	15.00	0.00
Amit Kothari HUF	13.63	0.00
Total	**729.11**	**167.19**

Job Work & Purchase of Raw Material		
Micro Coaters	21.14	13.60

Diesel and Oil Expenses		
Shaheed N Tundup Sewamedal Care	38.60	26.56

42.3 Balances with Related Parties at year end are as follows:

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Remuneration including Bonus & Leave with Wages		
Gopal Krishan Kothari	2.19	2.10
Amit Kothari	1.32	0.75
Naveen Behl	2.22	1.99
Mannat Kothari	0.69	0.74
Madhu Kothari	0.69	0.74
Rakhi Oswal	0.31	0.00
Ashok Bansal	0.69	0.00
Amit Verma	0.11	0.05
Manohar Lal Dhiman	0.00	0.25
Total	**8.22**	**6.62**

(All amounts in INR Millions, unless otherwise stated)

Sitting Fees Payable		
Pankaj Periwal	0.44	0.00
Mohina	0.28	0.00
Jatender Kumar Mehta	0.13	0.00
Total	**0.85**	**0.00**

Other Advances		
Kay Jay Forgings Ltd Group Gratuity Trust	0.09	0.09

Freight Payable		
Kothari Exports Inc.	8.42	0.10

Rent Receivable		
Pure Infratech	0.07	0.06
Shiva Shakti Industries	0.12	0.06
Total	**0.19**	**0.12**

Diesel Incentive Receivable		
Shaheed N Tundup Sewamedal Care	0.08	0.00

Rent Payable		
Nand Lal Kothari	0.00	0.07
Tamanna Kothari	0.30	0.00
Total	**0.30**	**0.07**

Consultancy Charges Payable		
Dr. Deepika Bansal	0.18	0.00

Job Work Payable		
Micro Coaters	2.23	1.55

Diesel and Oil Expenses		
Shaheed N Tundup Sewamedal Care	0.33	0.21

Unsecured Loans		
Gopal Krishan Kothari	99.20	99.14
Amit Kothari	60.14	55.07
Naveen Behl	5.00	0.00
Savitri Devi	0.00	0.38
Madhu Kothari	22.94	6.40
Mannat Kothari	32.16	3.03
Tamanna Kothari	19.90	0.00
Amanat Kothari	11.25	0.00
G K Kothari & Sons	0.00	71.26
Amit Kothari HUF	0.00	6.56
Naveen Behl HUF	0.00	15.00
Total	**250.60**	**256.83**

42.4 Terms & Conditions:

(a) The company's principal related parties consist of its key managerial personnel. The company's related party transactions & outstanding balances at year end are with related parties with whom the company routinely enters into transactions in the ordinary course of business.

(b) All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

(c) Details of loans given, investments made and guarantees given are complied with Section 186 (4) of the Companies Act, 2013. Purpose of loans & advances made by the company are general business purpose.

Note (43) Disclosure under the MSME Act, 2006 ("Micro Small and Medium Enterprises Development Act 2006"):-

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Total payments due as at the end of each accounting year on account of Principal #	128.03	110.15
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	Nil	Nil
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due & payable for the year of delay in making payment which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	Nil	Nil
The amount of interest accrued & remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act, 2006.	Nil	Nil

Includes Creditors for Capital Goods.

(All amounts in INR Millions, unless otherwise stated)

LIQUIDITY EXPOSURE AS AT MARCH 31, 2026

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	1,202.96	624.01	328.35	250.60	1,202.96
Lease Liabilities	3.62	0.38	2.45	0.78	3.62
Trade Payables	714.61	714.61	0.00	0.00	714.61
Other Financial Liabilities	22.14	22.14	0.00	0.00	22.14
Total Financial Liabilities	**1,943.33**	**1,361.14**	**330.80**	**251.38**	**1,943.33**

LIQUIDITY EXPOSURE AS AT MARCH 31, 2025

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	1,018.83	467.17	294.82	256.83	1,018.83
Lease Liabilities	4.56	0.93	2.27	1.35	4.56
Trade Payables	591.37	591.37		0.00	591.37
Other Financial Liabilities	101.78	101.78	0.00	0.00	101.78
Total Financial Liabilities	**1,716.55**	**1,161.26**	**297.10**	**258.19**	**1,716.55**

Note (44) Segment Reporting As Per IND-AS 108

The Managing Director & Whole-Time Director are identified as the Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined only one reporting segment for the Company.

(a) Information about Geographical Areas as per Para 33

Revenue from External Customers	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Geography Wise		
Within India	8,551.88	7,130.17
Outside India	665.70	374.47

(b) Information about Non-current Assets:
The Company has non- current operating assets within India only. Hence, separate figures for domestic as well as overseas market are not required to be furnished.

(c) Information about Major Customers as per para 34

As per Ind-AS, sales to customer for 10% or more of the company's total revenue is considered major customer.

Particulars	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
No. of Customers	1	1
Amount	6,207.91	5,134.31

Note (45) Capital Risk Management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure.

TheCompany's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been,and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk. Majorly Company raise long term loan for it's CAPEX requirement and based on the working capital requirement utilise the working capital loans.

The company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than current investments.

The gearing ratio at the end of reporting year was as follows:

PARTICULARS	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Non-Current Borrowings	578.95	551.66
Short-Term Borrowings	624.01	467.17
Lease Liabilities	3.62	4.56
Gross Debt	**1,206.58**	**1,023.39**
Less: Cash & Cash Equivalents	12.82	74.35
Net Debt (A)	**1,193.76**	**949.05**
Total Equity (B)	**1,997.05**	**1,628.71**
Gearing Ratio (A/B)	**59.78**	**58.27**

(i) Equity includes all capital and reserves of the company that are managed as capital.
(ii) Debt is defined as long and short-term borrowings (excluding derivatives and financial guarantee contracts).
(iii) Cash & Cash equivalent includes cash and other balances with banks

(All amounts in INR Millions, unless otherwise stated)

Note (46) Financial Risk Management

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The company has various financial assets such as trade receivables, short-term deposits and cash & cash equivalents, which arise directly from its operations.

The company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risk and also ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured & managed in accordance with the Company's policies & risk objectives.

46.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or commodity price risk.

Financial instruments affected by market risk includes loans & borrowings, debt and equity investments and derivative financial instruments.

(i) Foreign Currency Risk:
The company's foreign currency risk arises from its foreign currency revenues & expenses (primarily in US Dollars $). The company's functional currency is Indian Rupees (₹). The company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The company is exposed to exchange rate risk under its trade portfolio.

Adverse movements in the exchange rate between the rupee and any relevant foreign currency result's in increase in the company's overall debt position in rupee terms without the company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the company's receivables in foreign currency.

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Foreign currency exposures arises from the following:
(i) Transactions with foreign customers
(ii) Foreign currency external commercial borrowing
(iii) Forward contracts used for hedging currency risk.
(iv) Financial instrument where no hedging has taken place.

Foreign Exchange Risk Management Policy:
• The company has a structured foreign exchange risk management policy that
• Regular monitoring of foreign currency exposure.
• Use of derivative instruments such as forward contracts to hedge currency risk.
• Periodic review by the management and the board of directors on the risk exposure and mitigation strategies.
• Natural hedging through offsetting foreign currency inflows and outflows wherever possible.

Hedged Foreign Currency Exposure

The foreign currency profile as on March 31, 2026 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount
Foreign Currency Receivable			
Trade Receivables	0.18	USD	17.15
Trade Receivables	1.01	EURO	109.81
Advance to Supplier	7.55	YEN	4.53
Advance to Supplier	0.06	EURO	6.29
Advance to Supplier	0.02	USD	1.74
Total	**8.82**		**139.52**
Foreign Currency Payable			
Warehousing Charges	0.00	EURO	0.19
Trade Payable	2.71	YEN	1.61
Total	**2.71**		**1.80**
Net Unhedged Foreign Currency Exposure	0.20	USD	18.94
	1.07	EURO	116.42
	10.26	YEN	6.10
Total			**141.31**

The exchange rate as at March 31, 2026 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD	**94.75**	**94.75**
YEN	**0.5941**	**0.5941**
EURO	**108.90**	**108.90**

(All amounts in INR Millions, unless otherwise stated)

The foreign currency profile as on March 31, 2025 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount
Foreign Currency Receivable			
Trade Receivables	0.27	USD	23.47
Trade Receivables	0.88	EURO	80.80
Advance to Supplier	0.01	EURO	0.55
Total	**1.15**		**104.83**
Foreign Currency Payable			
Warehousing Charges	(0.00)	EURO	(0.13)
Workspace Fees	(0.00)	USD	(0.32)
Total	**(0.01)**		**(0.44)**
Derivative Financial Instrument			
Forward Contracts Outstanding	(0.40)	USD	(34.18)
Total	**(0.40)**		**(34.18)**
Net Unhedged Foreign Currency Exposure	(0.13)	USD	(11.03)
	0.88	EURO	81.23
Total			**70.20**

The exchange rate as at March 31, 2025 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD	**85.45**	**85.45**
EURO	**92.10**	**92.10**

The company has derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rate in foreign currency exposure. The counterparty for these contracts is generally a bank.

The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

Currency Risk Sensitivity Analysis

The following table details the company's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies is the sensitivity rate used when reporting risk of reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the company at the end of the reporting period.

AS AT MARCH 31, 2026

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	0.95	(0.95)
YEN	0.30	(0.30)
EURO	5.82	(5.82)

AS AT MARCH 31, 2025

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	(0.55)	0.55
EURO	4.06	(4.06)

(ii) Price Risk

Price risk is the risk of fluctuations in the fair value of financial instruments due to changes in market prices, excluding risks arising from interest rate or currency movements. The Company is primarily exposed to price risk from investments in equity instruments that are measured at fair value.

Exposure to Price Risk

The Company's exposure to price risk arises from:

Investments classified as **Fair Value Through Other Comprehensive Income (FVTOCI)** or **Fair Value Through Profit or Loss (FVTPL)**.
Market-driven fluctuations in the value of **traded securities, raw materials, or other financial assets**.

Mutual Fund Investments

The company is exposed to price risk from its investments in mutual funds, which are classified as Fair Value Through Profit or Loss (FVTPL). The fair value of these investments fluctuates based on changes in market conditions, interest rates, and underlying asset performance.

As on March 31, 2026, details of mutual fund investments are as follows:

Particulars	Classification	Units	NAV	Amount
Mutual Fund Units	FVTPL	50,000.00	38.60	1.93
Mutual Fund Units	FVTPL	4,393.11	55.61	0.24
Mutual Fund Units	FVTPL	584.86	558.41	0.33
Mutual Fund Units	FVTPL	89.91	1,817.59	0.16
Mutual Fund Units	FVTPL	2,089.56	116.54	0.24
Mutual Fund Units	FVTPL	2,031.56	121.98	0.25
Mutual Fund Units	FVTPL	840.68	218.10	0.18
Mutual Fund Units	FVTPL	14,242.62	11.55	0.16
Mutual Fund Units	FVTPL	425.51	578.84	0.25
Total				**3.75**

As on March 31, 2025, details of mutual fund investments are as follows:

Particulars	Classification	Units	NAV	Amount
Mutual Fund Units	FVTPL	50,000.00	45.97	2.30

(All amounts in INR Millions, unless otherwise stated)

Risk Management Strategy:
To manage price risk on mutual fund investments, the Company:

Invests in diversified funds to minimize exposure to individual asset volatility.
Monitors market trends and performance of the investment portfolio.
Maintains a balanced mix of liquid and growth-oriented funds based on financial objectives.

Price Risk Sensitivity Analysis
A reasoanbly possible change of 1% in NAV (increase or decrease) due to market volatility will all other variables held constant, the impact on profit before tax has been shown by the amounts below:

AS AT MARCH 31, 2026

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.04	(0.04)

AS AT MARCH 31, 2025

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.02	(0.02)

(iii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because funds are borrowed at oth fixed and floating interest rates. The interest rate risk is measured by using cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides the break-up of the Company's fixed and floating rate borrowings.

Particulars	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Fixed Rate Borrowings	**283.49**	**270.96**
Floating Rate Borrowings	**919.47**	**747.87**
Total Borrowings	**1,202.96**	**1,018.83**

Interest Rate Sensitivity Analysis
A reasonably possible change of 100 basis points in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. The analysis has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of liability outstanding on the year end and was outstanding for the whole year. A positive number below indicates an increase in profit before tax where the interest rate decrease by 100 basis points and vice versa.

AS AT MARCH 31, 2026

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(9.19)	9.19

AS AT MARCH 31, 2025

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(7.48)	7.48

46.2 Credit Risk
Credit Risk arises from the possibility that the value of receivables or other financial assets of the company may be impaired because counter-parties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer’s receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company’s internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset AS AT the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwardinglooking information such as:

(i) Actual or expected significant adverse changes in business;
(ii) Actual or expected significant changes in the operating results of the counterparty.
(iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations.
(iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information. Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates.

Based on the historical data no provision has been considered necessary since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time. The company maintains exposure in cash & cash equivalents, deposits with banks, investments and other financial assets. The maximum exposure to the credit risk at the reporting date is the carrying value of each class of financial assets. The company believes the current value of trade receivables reflects the fair value/recoverable values.

46.3 Liquidity Risk

Liquidity risk is the risk that company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the company's reputation. Management manages the liquidity risk by monitoring cash flow forecasts on a yearly basis and maturity profiles of financial assets and financial liabilities. This monitoring takes into account the accessibility of cash & cash equivalents and additional undrawn financing facilities.

The company will continue to consider various borrwing options to maximise liquidity and supplements cash requirements as necessary. The company's objective is to maintain a balance between continuity of funding & flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities.

(i) Maturities of Financial Liabilities

The following table details the company's remaining contractual maturity for its financial liabilities with agreed repayment and its financial assets. The table has been drawn up based on the undiscounted cash flows of financial liabilities on the earliest date on which the company can be required to pay.

The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of reporting year. The contractual maturity is based on the earliest date on which the company may be required to pay.

Note (47) Practical Constraints in EIR Computation:

The Company has assessed the impact of applying the effective interest rate (EIR) method prescribed under Ind AS 109 in respect of its borrowings and security deposits. For certain financial liabilities, including borrowings with variable interest rates and balances involving insignificant transaction costs, the difference between accounting based on contractual rates and the EIR method was evaluated and determined to be immaterial to the financial statements. Accordingly, no material adjustment arises to the carrying amount of such financial liabilities or the related finance costs. Similarly, the impact of fair valuing interest-free security deposits was assessed to be immaterial. Based on this assessment, the Company has applied the above practical simplification without any material impact on the financial statements.

Conclusion & Impact on Financials:

Borrowings where use of EIR computation was immaterial or not feasible have been measured at amortized cost using contractual interest rates, ensuring fair presentation.

Immaterial interest free security deposits are measured at carrying value.

Interest expense & income is measured at contractual rate.

This approach has been adopted to maintain compliance with Ind-AS 109 while ensuring practicality in financial reporting.

Financial liabilities recognized at FVTPL, including derivatives are subsequently measured at fair value.

Note (48) Other Statutory Information:

i).The immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

ii).The Company has not revalued its Property, Plant and Equipment.

iii). The Company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person. That are (a) repayable on demand or (b) without specifying any terms or period of repayment.

iv). No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(All amounts in INR Millions, unless otherwise stated)

v).The Company has been sanctioned working capital limits from Banks on the basis of security of current Assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

vi).The company is not declared wilful defaulter by any bank or financial Institution or other lender.

vii).The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act 1956.

viii).No charges are pending for registration or satisfaction with Registrar of Companies beyond the statutory period.

ix).The Company has no number of Layers of companies.

x).Analysis of financial Ratios along with explanations where change in ratios by more than 25% as compared to preceding year:

Ratio (With Numerator/Denominator)	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025	Change in ratio more than 25 (%)	Comments if Change in ratio more than 25 (%)
(a) Current Ratio (Total Current Asset/Total Current Liability)	1.11	1.10	0.30%	
(b) Debt Equity Ratio (Total Debt/Equity)	0.60	0.63	-3.71%	
(c) Debt Service Coverage Ratio (Earning for Debt Service/Debt Service)	3.48	2.97	17.18%	
(d) Return on Equity(Net Profit after tax-Preference dividend/ Average Shareholders Equity)	20.42%	19.54%	4.50%	
(e)Inventory Turnover Ratio (Turnover/Avg. Inventory)	8.26	7.74	6.66%	
(f) Trade Receivable Turnover Ratio (Turnover/Avg. Debtors)	23.73	17.51	35.54%	Due to Increase in Turnover
(g) Trade Payables Turnover Ratio (Purchase/Avg. Trade Payable)	7.70	6.82	12.88%	
(h) Net Capital Turnover Ratio (Turnover/Avg. working capital)	57.54	34.06	68.93%	Due to Increase in Turnover
(i) Net Profit Ratio (Profit for the year(PAT)/Revenue from Operation)	4.02%	3.87%	3.86%	
(j) Return on Capital Employed (Earning before tax and finance cost/Capital Employed)	21.30%	21.22%	0.38%	
(k) Return on Investment (XIRR)	-22.11%	1.73%	-1381.01%	Due to Un-favourable market conditions

xi). The Company has no scheme of agreements during which falls under sections 230 to 237 of the Companies Act 2013.

xii).Utilisation of Borrowed funds and share premium:

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note (49) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

Note (50) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software at the application. Further no instance of audit trail feature being tampered with was noted in respect of accounting software, wherever audit log was enabled.

Note (51) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note (52) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. During the current financial year, the Company reviewed its accounting presentation for rate differences recoverable from customers and payable to vendors. Previously, in the financial year ended 31 March 2025, these rate differences were presented under separate balance sheet heads as "Other Current Liabilities" or "Other Current Assets". Debtors and creditors were carried at their nominal book value.To provide more relevant and reliable information that reflects the true economic substance of these transactions, the Company has changed its presentation. These rate differences represent direct adjustments to the transaction price. Therefore, they have now been adjusted against trade receivables and trade payables, as applicable, on a Provision Basis.

For Goyal Sanjay & Associates
Chartered Accountants
FRN 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
M.N. 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date:

Ashok Bansal
Chief Financial Officer

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038